Silver Exchange Supplement (Page 11-16)

Kirkland's Newer Mines (Page 18)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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ENLARGED MINING SECTION A WEEKLY FEATURE PAGES 18-20

The Nation's Business

Newsprint Industry Under Threat of State Control

Should Police Itself

Revising B.N.A. Act Can Be Done Without Injuring Quebec

Butter Surplus Threatens Price

Self-regulation In Newsprint

INABILITY of the newsprint industry's leaders to display even a modicum of common sense in handling their affairs is without parallel in the industrial history of this country. From a once prosperous state this branch of manufacturing has degenerated into a lowly position. The jungle competition of the past five years has wiped out millions of capital contributed by thousands of small investors in Canada, the United States and elsewhere, brought hardship to many once-thriving communities and despoiled thousands of square miles of woodland and all because less than a score of reputed business men cannot agree on a policy for the common good.

Within recent weeks another effort was made to bring the industry together. This time those executives responsible for policies displayed a more sincere desire to work together. Marked progress was made in formulating plans to improve the position of the industry. The goal of a common policy was about to be reached when one of the major producers made commitments on a basis which disrupted plans and threatens to cause a veritable breakdown of existing marketing arrangements. Little is to be gained by hurling recriminations against this company. In the past its competitors have broken faith.

* * *

THE present situation brings home forcefully the necessity of self-regulation. The failure of the manufacturers to trust each other has caused woodsmen to work for a mere subsistence wage, closed down mills, bankrupted operators and lost many millions of capital. This state of affairs cannot go on indefinitely. Whatever action is taken to bring about regulation must be done through one agency. The Federal Government may be the only force capable of bringing the manufacturers into line. This can be done through the implementation of the suggestion made once before, namely, the licensing of exports. In this respect the Quebec and Ontario Governments—the two most deeply concerned—are likely to be agreeable, in view of the circumstances, to allowing Ottawa to take the necessary steps to deal with the situation. The entry of Government into business is not to be encouraged. In the case of the newsprint industry, this step may be necessary as the welfare of more than a score of communities and thousands of workers demands that they be protected against a continuation of policies which have brought in their wake nothing but grief for all concerned.

* * *

THERE are three possible courses for the industry to pursue:

1. Unrestricted competition for markets, let the price fall where it may.
2. Self-regulation with some rationing of production.
3. Regulation by governmental intervention.

Just now the industry is supposed to be operating under the second plan but actually many incidents have proved that the regulation is ineffective.

Either of the other two courses, openly adopted, would be preferable to continuance of a reputed self-government which is a cloak for dog-eat-dog competition. As the interested governments would probably intervene to prevent an open price war the industry had better make self-regulation work if it is to avoid bureaucratic control.

* * *

B.N.A. Act Revision Not a Racial Matter

BELIEVING there is an urgent need of social reform and that the Dominion Parliament is the only governing body in Canada competent to meet this need, Prime Minister Bennett has called a constitutional conference to be held at Ottawa next month. Mr. Bennett, in addition, has published a list of the matters which he believes should be discussed. This list comprises such items as taxation, regulation of industry and so forth. There is not a word in this suggested agenda

(Continued on page 2, col. 4)

New Weston Projects Will Increase in U.K. For Next Three Years

President Considers Prospects Better Than in Canada or U.S.

BUYS 3 COMPANIES

Uncertainty as to Government Policies Toward Business in North America Slows Expansion Plans

W. Garfield Weston, president and managing director of George Weston, Ltd., went to Edinburgh, Scotland, in April last for the opening of the most modern biscuit plant in the British Isles, a plant to continue on more extended lines the century-old business bought from Mitchell & Muils, Aberdeen, in 1933 and the only enterprise then operated by his company overseas. He returned a week ago after six months stay, with the knowledge that behind him are now three large companies operating profitably in making bread, biscuits, cakes and confectionery, in fact, all the lines that George Weston, Ltd., and its subsidiaries make in Canada and the United States. Moreover, negotiations have been almost concluded for obtaining entire control of other companies established in cities which are strategically located for the development of the Weston plants for expansion in the United Kingdom.

Governments Create Uncertainty

Mr Weston is thoroughly convinced that his company is wise to plan making its chief efforts at expansion in the British Isles for the next three years. When asked by a representative of The Financial Post to outline his reasons for this, and to illustrate it by telling more of what had been accomplished during the last six months of intensive planning and expansion, he said:

"During the last six months the company has very carefully and thoroughly sized up the whole British market from the standpoint of all the products that we make in Canada. While our companies in Canada and the United States continue to prosper and to increase their sales and profits, the situation in the United Kingdom impresses me as so definitely favorable that this company will in all probability make its greatest effort in the old land for two or three years to come. Owing to the great uncertainty as to labor conditions and government attitude toward business in the United States and Canada, we feel that for the present it is well to go comparatively slowly in our expansion plans on this continent and to bend our efforts most strongly to gaining success in England and Scotland.

"Without question the old country is developing rapidly in all phases of its industrial and business life and the management feels that it is much easier and wiser to develop with the tide of rising prosperity there than to sink money in countries that propose to penalize such investments. So much political and economic uncertainty exists in the United States and Canada as to policies affecting business and employment that it would not be wise to sink too much money in expansion here until the sky is clearer. We have hope that it eventually will be clearer for new ventures but in the meantime it is natural that we should turn to the more promising field for expansion.

Edinburgh Plant Profitable

"We have now operating in the city of Edinburgh the most modern biscuit plant in the British Isles. It is not the biggest but it is the most modern plant. We are pushing sales from this plant entirely on an individual basis and we are not attempting in any way to compete or conflict with the larger biscuit interests already in that country. We are making there a complete range of sweet biscuits. We are appealing to the masses rather than the classes with these lines, our whole effort being to produce the finest biscuits

(Continued on page 2, col. 4)

Week's Figures Feature Advance In Living Costs

Although prices of foodstuffs declined slightly in September, the cost of living index of the Dominion Bureau of Statistics gained slightly on higher costs of clothing, fuel and sundries. Wholesale prices declined slightly, chiefly in the vegetable products group.

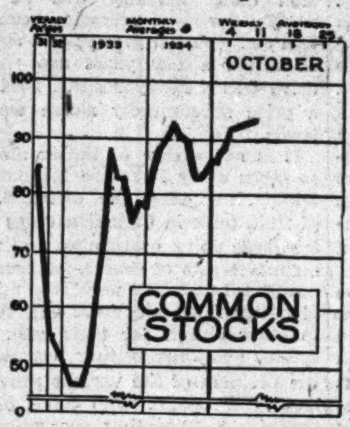
The slight gain in exports in September was less than the usual seasonal increase but imports were higher than in August.

Commercial failures in August were smallest since 1922.

		Change From Prev. Period	From Prev. Year
Monthly	**Sept. '34**	%	%
W'sale prices Index	72.0	— 0.4	+ 4.5
Retail prices Index	79.0	+ 0.4	+ 0.6
Exports .... $	58,135,136	+ 5.2	+ 0.6
Imports .... $	41,931,203	— 3.6	+ 8.4
	Aug. '34		
Failures ...... No.	103	—15.6	—31.3
Liabilities .... $	1,300,691	—24.8	—42.4
Weekly*			
Car loadings .. No.	53,050	+ 4.9	— 0.3
Cattle sales ... No.	15,944	—21.5	+10.0
Hog sales .... No.	10,251	—26.8	—44.3

* Weeks ended Oct. 6, 11 and 11, respectively.

Stock Prices Improve



Common stock prices as measured by the Dominion Bureau of Statistics advanced in the week ended Oct. 11. Indices are shown on page 5.

CANDY HEAD NOT LEAVING EITHER CHAIN

O'Connor Will Retain 25 p.c. Control of Fanny Farmer

TO OFFER SHARES

Announcement of the intention of Frank P. O'Connor to dispose of a large block of his holdings in Fanny Farmer Candy Shops Inc. does not mean that the founder and president of both this company and Laura Secord Candy Shops Ltd. has any intention of getting out of either business, The Financial Post is informed. Neither, it is stated, does it mean that a similar sale of Laura Secord stock is anticipated.

Subject to United States Government approval Candies Investments Ltd., personal holding company of Mr. O'Connor, will offer publicly 180,000 shares in Fanny Farmer through A. W. Porter Inc. The latter company has taken a commitment and options to purchase this amount of stock which represents almost 65 per cent of 280,000 shares reported held by Mr. O'Connor.

Stock Split

Under the stock split of Fanny Farmer approved at a special meeting of the shareholders on Sept. 24 last the number of authorized preference shares was reduced from 45,000 to 6,650 the actual number not redeemed and still outstanding and the 100,000 shares of no par value common were changed to 400,000 shares of common with a par value of $1 each. Of the latter issue Mr. O'Connor is stated to own 70 per cent or about 280,000 shares. It is understood that absolute control is not considered necessary today and the 100,000 shares or 25 per cent of the stock may be sufficient to maintain working control.

Rumor Discredited

Rumors that Mr. O'Connor was liquidating a substantial portion of his stock holdings as a preliminary step toward accepting the position of Lieut.-Governor of Ontario are not regarded seriously in Ontario governmental circles, The Post is informed. It is no secret that Mr. O'Connor is a staunch supporter of the present Hepburn government and he is generally credited as being the unofficial financial adviser of the present administration. On the other hand it is stated very definitely that Mr. O'Connor could not be induced to accept such a position because of his personal aversion to public functions. It is more generally believed that the founder of the two great candy

(Continued on page 2, col. 1)

MAPLE LEAF LOSS LOWER, PRICES POOR

Expect Slight Improvement But Export Flour Hard Hit

WHEAT TOO HIGH

Hon. Chas. A. Dunning New President With D. C. MacLachlan Continuing as Gen. Mgr.

While a slightly better report is anticipated for Maple Leaf Milling for the year ended July 31, 1934, no great improvement over the previous year is expected, The Financial Post is informed, because of the very unfavorable conditions that have existed in the export flour trade. The slight advance in domestic prices since 1933, it is understood, has been more than offset by the abnormally low returns for Canadian flour in Great Britain and continental Europe.

Wheat Too High

Due to the fact that wheat prices in Canada have been held at a higher level than world prices, it is claimed that the company has been unable to compete on a profitable level with flour manufactured from much cheaper Argentine and other foreign wheat. The export trade, however, could not be abandoned by such Canadian companies as Maple Leaf or all future advantage of established brands would have been lost.

Moreover the limited domestic market could not be forced to accept more than a portion of the total supply. The amount that was offered, it is understood, was sufficient to push flour prices to practically as low a level as in the previous year if the difference in wheat prices was compared. Again the lower prices for world wheat allowed foreign flour to undersell the domestic product in Canadian cities.

A favorable factor in the company's earnings, it is stated, was operations of the feed division. Ever since the short crops in Eastern Canada a year ago there has been an active demand for all kinds of manufactured stock feeds. Subsidiary bread companies of Maple Leaf have also been doing slightly better this year, it is believed.

New President

The company, which is under the management of the creditors until 1938 and thereafter until bond interest has been paid at the full rate for two consecutive years, announced a change in the board of directors this week. Hon. Chas. A. Dunning, former federal Minister of Finance and for many years premier of Saskatchewan has been elected president to succeed C. W. Band, who becomes vice-president. H. J. Symington, K.C., has resigned as a director and his place on the board is taken by Mr. Dunning. D. C. MacLachlan continues as general manager.

Mr. Dunning brings to Maple Leaf a thorough knowledge of Western grain growing and the general grain trade having been a large scale farmer in Saskatchewan for many years and later connected with the Saskatchewan Grain Growers Association. As former Minister of Railways and later Minister of Finance further experience is contributed. The management, which is derived from three special shares, two held by the trustee for the bondholders and one by a representative of the company's bankers, has been looking for a new president for some months, it is understood. It is felt that in securing Mr. Dunning's services the board of the company has been materially strengthened.

For the year ended July 31, 1933, the company had a net loss of $222,952 as compared with a loss of $230,587 for 1932. Operating profits of $312,930 were considerably better than for the previous years but some $64,640 set aside for loss on a controlled company's accounts wiped out the bulk of the improvement.

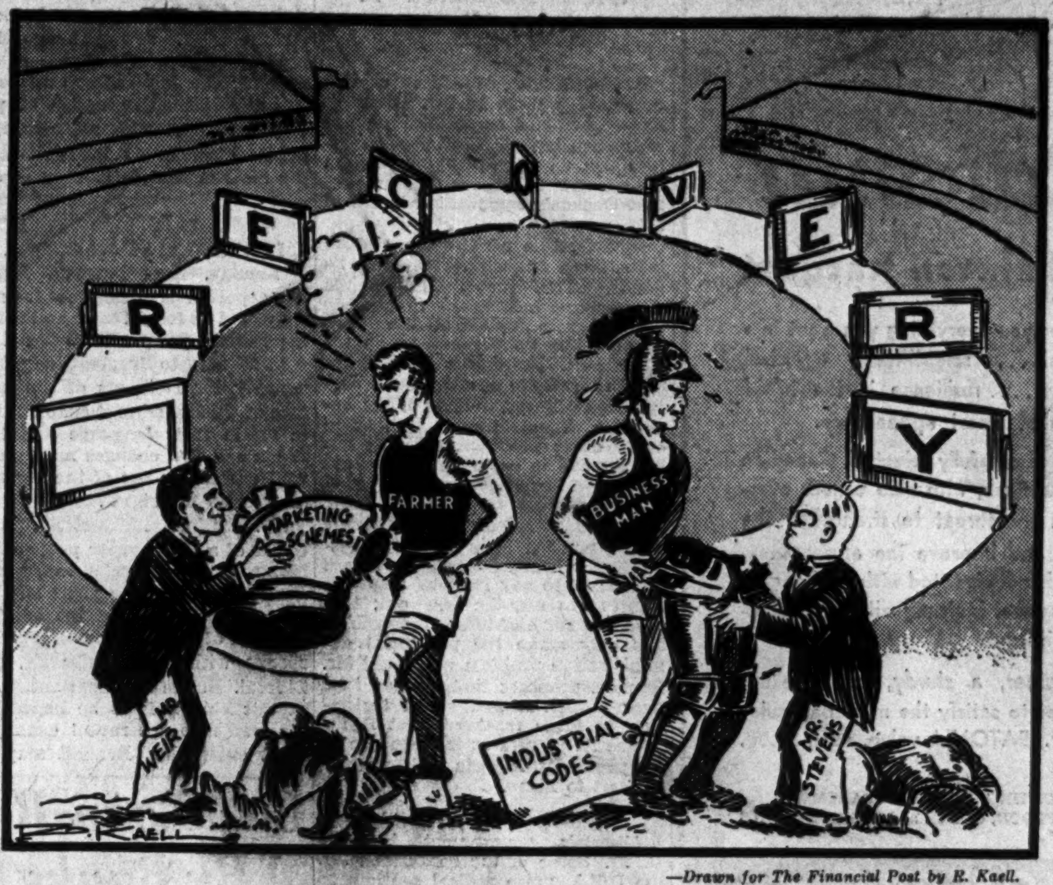
U. S. Millionairess Places Huge Annuity in Canada

Life insurance history in Canada—probably on this continent—was made within the past few days when an annuity cheque for something over $1,200,000 was received by a life insurance company operating in Canada, The Financial Post learns.

The annuity will commence immediately and is payable to a wealthy New York woman who came to this country seeking a safe, profitable outlet for her investment funds. She made enquiries in Canada as to rates and conditions and within a very few days her cheque came back to complete the transaction.

Not only is this the largest transaction of its kind in Canadian insurance history; it is probably one of, if not the largest ever written on this continent. It exemplifies the decided swing to annuities which has gained substantial momentum in recent years. Until last year the largest amount of money ever received in Canada for annuity funds by all private companies has not exceeded $3,000,000 to $3,500,000 in an entire year.

So great has been the demand for annuity money this year that most life companies in Canada have been embarrassed by the funds offered to them. Many Canadian companies within recent weeks, in addition to raising their rates, have actually placed limits as low as $25,000 on the moneys they will accept for this type of policy.



—Drawn for The Financial Post by R. Kaell.

IS PROTECTION WHAT THEY WANT IN THIS RACE?

Premiers Air Views On Newsprint Trouble

Hepburn Backs Taschereau, Who In Turn Answered by A. N. P. A.

From Our Own Correspondent

MONTREAL—Affairs in the newsprint world have reached a momentary lull, at least outwardly, but developments in the next 10 days or two weeks will tell whether or not the Canadian manufacturers are going to get a higher price for their newsprint on 1935 deliveries.

For several weeks past the ground was being prepared for an advance of $5 a ton on next year's deliveries. The recent action of St. Lawrence Paper Co. in securing 1935 tonnage on terms which are said to be the same as those at present in force, has dealt a heavy blow to the plans of the producers.

The situation is greatly muddled by the existence of old-style contracts in force between different manufacturers and publishers. The price called for on deliveries in some of these contracts is affected by St. Lawrence's latest move, so that it is not possible for the producers as a group to increase the price of newsprint as long as St. Lawrence is committed to deliver paper to the Scripps-Howard and Hearst newspapers at the present rate.

Matters would not be so awkward if all existing contracts expired at the end of the current year. Unfortunately such is not the case and until the St. Lawrence affair is cleaned up, no price increase is possible.

When the news that St. Lawrence Paper had made commitments for 1935 was confirmed, following the exclusive story in The Financial Post of two weeks ago, interests for and against the proposed increase came out into the open.

Taschereau Takes Stand

Premier Taschereau of Quebec made a public pronouncement criticising St. Lawrence Paper Mills for its action and then went on to say:

"I hope this will prove not to be true but I wish to announce that this government cannot tolerate such complete disregard of the public interests. Increasing costs and the increasing needs of our workmen have made imperative a moderate increase in the price of newsprint.

"This government has been cooperating with the industry in its distress by giving special reductions in stumpage rates and other concessions, but if any Quebec company so ignores the common good the government will withdraw aid from such company and take all measures necessary to protect the interests of the province."

Hepburn in Agreement

The next blast in the campaign came from Premier Mitchell F. Hepburn of Ontario who after concurring in Premier Taschereau's general sentiments as to the desirability of improving conditions, went on to say:

"I am certainly sympathetic toward any and all moves that may be taken that will, in the final analysis, mean an improvement to the working man's cause and the newsprint industry and permit employers to carry on in such a way as to enable them to maintain their employees on a more humane basis and better standard of living.

"It is neither the desire nor the intention of the Government of Ontario in the administration of its natural resources to encourage in any way the operators to bargain or make any adjustments that will be injurious to the industry or the workmen engaged therein."

A.N.P.A. Answers Back

The opposition were not long in answering these statements. The American Newspapers Publishers Association, in referring to Premier Taschereau's statement, had the following to say:

"It appears to be common knowledge that during this year sales have been completed for 1935 deliveries of Canadian tonnage in Great Britain, aggregating well in excess of 125,000 tons, at prices in no case higher than 1934. These prices of overseas shipments net the Canadian manufacturers considerably below their sales to the United States at the present market price.

"Canadian sales to Great Britain appear, at least in substantial quantities, to be delivered in that market below the general market price level existing there.

"Premier Taschereau by implication appears to have approved sales for 1935 in Great Britain not only without any advance of price over 1934 but below the market price in that country, while at the same time indicating willingness to invoke measures toward forcing an increase in the market price to American publishers.

"Many leading publishers who have had occasion to observe the recent indications of a sharp break in this market which might bring it to the British level or below, have indicated that they do not favor a demoralization of this market, and that they are in hearty and cordial support of the efforts now being made to resist a price break here by stabilizing the 1935 price at present existing levels."

Quebec's premier has not replied to this statement of the A.N.P.A., possibly because there is nothing that can be said to deny the allegation of the low price on sales in the British market.

Crux of Situation

While these "straws" are of interest in indicating the strength shown on one side to secure a price increase and the other side to oppose any change, the situation boils down to the fact that a change in contract price schedules will be determined by St. Lawrence Paper Mills' financial ability to meet the commitments made on 1935 deliveries.

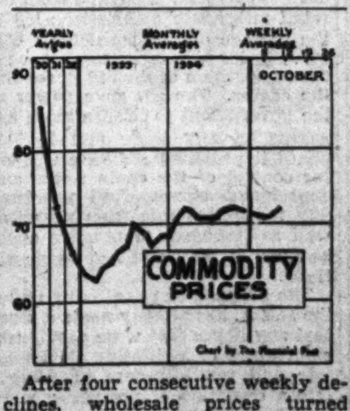
Good Demand Continues

Meanwhile The News Print Service Bureau's report on production for September indicates that the demand for newsprint continues on a satisfactory scale. Last month production in Canada increased 9.3 per cent at 196,172 tons compared with 179,416 tons in the same month a year ago.

American production showed the first increase over last year after three successive monthly decreases. Output was up 1.68 per cent at 74,117 tons, as against 72,907 tons in the like period of last year.

Combined production in the two countries in September was 270,089 tons. This compares with 252,323 tons in the same month last year, an increase of 7.12 per cent.

While September showed an increase over last year, the gain was at a smaller rate than for the nine month period, reflecting the very sharp expansion which had been shown in the first half of 1934.



After four consecutive weekly declines, wholesale prices turned slightly upward in the week ended Oct. 12. The index of the Dominion Bureau of Statistics for the week was 71.4 as against 71.2 in the previous week.

Highlights of the week

Commodity Exchange

Canadian Commodity Exchange Inc. opens trading of silver on Oct. 22 at Montreal. Six special feature pages describe the personnel, functions and background of the silver market. Pages 11-16, 20

Silver trading around the clock. 11
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Marseilles Murders

Assassination of King Alexander of Jugoslavia, and accidental murder of Louis Barthou, upset French plans to check Hitler. John A. Stevenson shows the significance of the fatalities. Page 6

World Hesitancy

Uncertainty over United States developments is the chief cause of international business hesitancy, according to League of Nations review. World trade analyzed in brief. Page 7

Interest Cuts

Reduction of the interest rate on bank savings from 2½ to 2 per cent brings cuts in call loan rates. Page 2. The change in deposit rates may mean broad credit changes. Page 4

Kirkland Lake

Survey of the Kirkland Lake mining area reveals a movement of interest to the east. A first hand survey of the big gold camp. Page 18

Tipsters

Lt.-Col. George A. Drew, recently dismissed Ontario securities commissioner makes exposure of operations of tipster news sheets and reveals records of editors and radio "investment counsellors." Page 19

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SPECIAL SECTION

New Commodity Exchange 11-15

MORE MONEY TO BE ISSUED BY DOMINION

$35,000,000 Maturing Notes to Be Renewed on Nov. 1

TO EASE CREDIT

Currency Up $8,674,660 in September; Total Rise Nearly $36 Millions and More to Come

The Dominion Government's financial programme for the remainder of this year will consist largely of issuing more Dominion currency and sustaining the large volume of notes already issued, The Financial Post is informed.

The $35,000,000 of advances to banks under the Finance Act which mature Nov. 1 will be renewed so that this block of Dominion currency will be kept outstanding at least until the commencement of operations of the Bank of Canada, it is understood. Meanwhile the Government is expected to continue to issue more currency up to the full amount possible under legislation passed late in June.

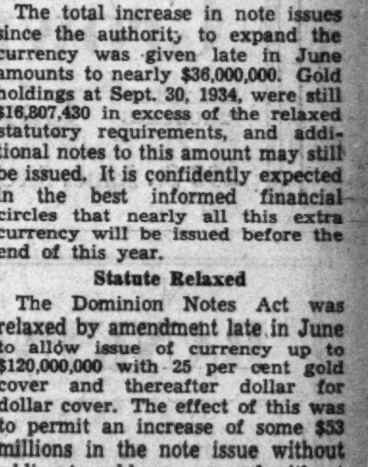
Keep Credit Easy

These measures are designed to maintain the commercial banks' cash reserves at a high level and to keep credit easy in the Dominion in the period prior to opening of the new central bank. By initiating this "anti-deflationary" policy as Ottawa calls it, the Dominion is virtually acting the part of a central bank while that institution is in process of formation.

Bankers appear to view the increasing issues of Dominion notes as an easy way for the Government to get money without interest. At the same time the view is held that there are dangers is the probable resultant expansion of credit to the amount of several times the increased note issues.

September Expansion

The Dominion note issue was expanded $8,674,660 in September, despite a drop of $2,847,000 in advances of notes to banks under the Finance Act. The increase was brought about by issuing $11,521,660 more notes under the Dominion Notes Act. The increase in the total issue and in issues under the Notes Act is shown in the accompanying chart.

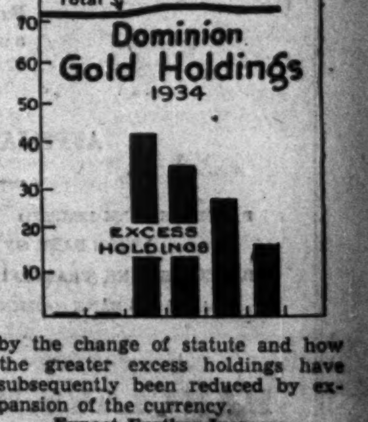


The total increase in note issues since the authority to expand the currency was given late in June amounts to nearly $36,000,000. Gold holdings at Sept. 30, 1934, were still $16,807,430 in excess of the relaxed statutory requirements, and additional notes to this amount may still be issued. It is confidently expected in the best informed financial circles that nearly all this extra currency will be issued before the end of this year.

Statute Relaxed

The Dominion Notes Act was relaxed by amendment late in June to allow issue of currency up to $120,000,000 with 25 per cent gold cover and thereafter dollar for dollar cover. The effect of this was to permit an increase of some $53 millions in the note issue without adding to gold reserves and without raising the statutory value of the Dominion's holdings above the old figure of $20.67 an ounce. Consequently the Dominion's nominal excess gold holdings were greatly expanded.

Since late June the Dominion has taken advantage of the legislation to issue more money. The chart herewith shows how the excess gold holdings were suddenly increased by the change of statute and how the greater excess holdings have subsequently been reduced by expansion of the currency.



Expect Further Increase

When the legislation to broaden the currency-issuing powers of the Government was being introduced in Parliament in June Premier

(Continued on page 2, col. 6)

It's a Champion

Eatonia

Badminton Racquet

It gives you everything you want in a racquet .... scientifically adjusted balance .... resilience in the inlaid handle .... smart appearance.

Made of carefully selected, Canadian mountain ash, with blue veneer overlay on the throat to strengthen the frame and improve the appearance. Inlaid handle is fitted with leather grip and racquet is strung with good quality white gut.

Altogether, a sturdy, good-looking racquet to satisfy the most particular player. EATONIA value, each $5.00.

SPORTING GOODS DEPARTMENT
MAIN FLOOR, QUEEN and JAMES STREETS

THE T. EATON Co LIMITED

CANDY HEAD NOT LEAVING EITHER CHAIN

(Continued from page 1)

chains is simply following his well known business principle of diversifying interests and in this particular case is probably creating a private trust for the benefit of his family. Mr. O'Connor is in his fiftieth year.

The old common stock reached a high of $32.50 last June, a low of $11.50 in January and recently has been quoted at around $28.50. No price has been mentioned in connection with the proposed O'Connor offer but it is understood that some figure in keeping with the present market will be stipulated. On the basis of the recent four for one split, the new common would be worth around $7 and the disposal of Mr. O'Connor's block of 180,000 shares would bring a return of over $1,250,000. The company, like its Canadian counterpart, Laura Secord company, is reported to have been enjoying a substantial increase in business this year. At the end of the last fiscal year, Dec. 31, 1933, it had current assets of $1,273,585 of which almost a million dollars was in government and municipal securities or cash, against current liabilities of $88,321.

GOALS

Yours

—to accumulate sufficient property to make your later years comfortable and to provide future financial protection for your family.

Ours

—to help you conserve your property so it will provide income for you while living and continue to carry on for your family without interruption.

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EXECUTORS TRUSTEES
FINANCIAL AGENTS
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BARCLAYS BANK (CANADA)

....is a unit of the Barclay Group of Banks—one of the largest banking organizations in the world.

....operates under the Canadian Bank Act and is therefore in a position to offer a complete service to firms and individuals having domestic banking requirements.

....places at the disposal of manufacturers, merchants, importers and exporters, the Empire-wide banking service of the Barclay Group of Banks maintaining over 2900 offices and with resources exceeding $2,500,000,000.

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UNION BANK OF MANCHESTER LIMITED
BARCLAYS BANK (FRANCE) LIMITED BARCLAYS BANK S. A. I.
BARCLAYS BANK (DOMINION, COLONIAL AND OVERSEAS)
AND
BARCLAYS BANK (CANADA)
MONTREAL 214 ST. JAMES STREET
TORONTO 60 KING STREET WEST

B-1

CODES IN ALBERTA WAIT ON DECISIONS OTTAWA PARLEY

Province Prepared to Hand Over Powers to Ottawa

SWING TO RIGHT

Sentiment of Farmers and Workers Moves from Extreme Radicalism in Sunny Alberta

By Staff Editor

EDMONTON.—Alberta's cabinet ministers will go to Mr. Bennett's inter-provincial conference on the reconstruction of Canada's constitution prepared to listen, but with a willingness to accept the theory that Canada's constitution is out of date.

Alberta, like all the other provinces, has a financial problem on its hands. The province's revenue sources are insufficient to provide the money to pay for all the things Alberta has undertaken to do for its citizens. The provincial debt has piled up in spite of attempts to curtail expenditures, in spite of the imposition of new taxes. And, as in every other province, the way out has seemed to be to find new ways of raising money, either by way of federal subsidy or by new taxing powers abstracted from Ottawa's taxing powers. Now there is a disposition to concede that perhaps new taxes to pay for new responsibilities are not the way out; that shedding some of those responsibilities may make the provincial administrative problem easier. If Mr. Bennett proposes that Ottawa take over industrial and social legislation in large measure, that it increase its powers at the expense of the provinces, Alberta will be ready at least to listen.

Swing From Socialism

Alberta's government is still U.F.A. Some of the spokesmen for the U.F.A. voice radical sentiments and propose socialism on the grand scale. But the average Alberta farmer and city dweller have already had their fill of State Socialism which has been creeping over provincial legislative policies for many years back. There is a swing back from policies, ostensibly designed to help the farmer and the worker, but that have the actual effect of keeping capital out of the province and that thus cripple the farmer and cramp the worker.

Farm Lending Policies

Take the question of farm lending. In Alberta the large mortgage institutions have long since practically withdrawn because Alberta has discovered more than a baker's dozen ways of making first mortgages ineffective as a first charge on the land and buildings put up as security. The various moratoria and prior liens may have protected the farmers from foreclosure but they also prevented them from getting any new mortgage money at all. This is now being more widely recognized. Alberta wants mortgage money for its farmers; it wants investment funds for its provincial and municipal treasuries; it wants development money for its mines, oil fields and industry. It may not be long before the sentiment in favor of policies designed to attract capital will become dominant in provincial policy.

Codes Are Dormant

Alberta was the first province to go in for legislation designed to codify industry and retailing. The Trade and Industry Act, assented to on April 16 last, gave a scare to conservative-minded business men. The act has not yet been brought into effect by order-in-council. It will be made effective shortly, but it may be taken as certain that when the order-in-council is passed the sections dealing with "codes" for merchandising will be allowed to lie dormant, at least until after the Ottawa conference of premiers. And even if the Ottawa conference does nothing about putting the problem of codes on the Dominion government's doorstep, codes will probably remain unborn in Alberta. The government has lost some of its enthusiasm for them.

Three Objectives

The Trade and Industry Act had three objectives. The first was to provide for the establishment of machinery for surveying the natural resources of the province and encouraging their development. The province has already a trade commissioner in the person of Howard Stuchbury, who is doing exactly that work. The act would do no more than put his work under the Department of Trade and Industry to be created under a minister.

The second objective was to provide machinery for the rationalization of the coal industry and the promotion of more orderly marketing. The coal industry suffered from three evils: lack of co-operation, cut-throat price-cutting and bad preparation of the product for market. Already the threat implied in the legislation has improved conditions in all three respects. When the act is proclaimed shortly an effort will be made to improve conditions still further.

Modelled on N.R.A.

The objective of the act which received the most attention was establishment of associations within different trades to develop and operate codes. Modelled on the N.R.A., it was provided that if two-thirds of those engaged in any trade wanted a code they could have it and everyone in the trade would have to conform. Agitation from the retail merchants' associations led to the passage of this legislation. The moving force was discontent with the competition of the big stores and the chains. The act gave power to the government to license those engaging in any trade and in this phase it provided a strong weapon for control of the chain stores and department stores. And provision was made that minimum prices as well as standards of practice could be fixed in the retail and wholesale trade.

The collapse of price-fixing under the N.R.A. has already made it clear that any hopes that were previously entertained of legislating all wholesale and retail traders in Alberta into a condition of prosperity were frail hopes at best.

Is It Constitutional?

One reason that no codes are likely to result from the legislation is that there are the gravest doubts of the constitutionality of the act and graver doubts as to its ability to establish standards of competition in Alberta that would not be utterly negatived by competition from without the province. It is understood that Prime Minister Bennett warned the government not to go beyond its legislative competence. Anyway the act clearly states that every code and every order shall apply only to trades which are carried on within the province and that no code shall have any force to the extent that it interferes with the importation of any goods from without the province. This obviously nullifies the whole code legislation. Most of Alberta's trade has some inter-provincial aspect to it.

As for wages and working conditions, which were to come under the codes in the trades covered, there is already in existence in Alberta a minimum wage law for female employees of all industries.

Draft "Codes" Prepared

From Our Own Correspondent

EDMONTON.—The new Alberta Trade and Industry Act, passed at the last session of the legislature but not yet brought into effect, is still being considered by the provincial government.

Draft "codes" have been prepared by many lines of business and industries, the idea being to bring about price uniformity and eliminate ruinous competition. But none of these can be put into operation until the act is proclaimed.

The government has not yet selected the official who will have charge of administering the act and that is one of the stumbling blocks as this machinery has to be organized before the legislation can be made operative.

Strong representations have been made by the retail merchants' organization as to the necessity of putting the act into effect just as speedily as possible. On the other hand, there are interests which are advising the government to move cautiously with such important legislation.

The Nation's Business

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which directly or indirectly refers to religious or racial privileges.

In more ways than one it is urgently necessary that a measure of constitutional reform should be carried through as quickly as possible. And it might be supposed that politicians, in a matter of this kind, would seek to deal with the constitutional problem on its merits and abstain from efforts to be-devil it by mendacious appeals to popular prejudice. A month ago there seemed to be a fair chance of success for the impending conference. But the instinctive desire of politicians to deal with all matters of public business on the vote-catching basis is rapidly gaining ascendancy.

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SPEAKING at St. Johns, Que., last Sunday, Hon. Fernand Rinfret was reported as stating that the matter would be fought tooth and nail by the Liberal party. He declared the B.N.A. act to represent perfect security for residents of the province of Quebec since it enabled them to retain their language and their rights and that changes made might well curtail the use of the language as well as the rights.

Mr. Rinfret, incidentally, is an editor of a daily paper published at Montreal, has been a member of Parliament for some years and was Secretary of State in the administration of Mackenzie King. He speaks with some authority, as a Liberal. But in an important matter of this kind it is to be hoped that his words do not reveal exactly to what extent Mr. Bennett may expect the co-operation of his political opponents in dealing with a problem which bears little relation to minority rights.

No one is proposing to take away any of the privileges of French-Canada. That would be an unthinkable breach of faith. Our antiquated constitution makes efficient government in Canada practically impossible and it must be changed. And the changes that are necessary must be made without violating any right of any minority.

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Butter Surplus Results From Tariff

THE difficulty of enforcing any policy of control over farm production is again illustrated by the situation now confronting butter manufacturers and incidentally the Canadian dairy industry generally. Protected by duties against both foreign and Empire butter, producers in this country have stepped up production to a point where present cold storage holdings are more than 25 per cent above the figure of a year ago, which in turn was considerably greater than in 1932. The federal Department of Agriculture is very doubtful whether this quantity can be absorbed without a serious drastic decline in prices.

The National Dairy Council has proposed that the new Dominion Marketing Board compel holders to export a substantial portion and swallow the loss without any direct compensation. That there would be a heavy loss is amply indicated by the fact that present domestic prices of butter are fully 25 per cent above world values when the cost of export shipment is added to the actual differential. The Council proposes that the eastern and western butter makers share this loss equally but there is considerable disagreement, the former group claiming that increased production in the Prairie Provinces is entirely to blame for the present situation.

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A SOMEWHAT similar scheme was proposed a year ago but abandoned in the hope that the domestic market might finally absorb the heavier supply without any great decline in price. On this occasion the hope was justified but the surplus amounted to only 6,000,000 pounds, whereas this fall it is estimated at nearly twice as much. Without a remarkable and speedy pick-up in world values, the Canadian dairy industry will be in exactly the same precarious condition as faced the grower and seller of wheat a few years ago when there was a heavy surplus held at a price substantially above world levels.

It is not a case of butter alone, as other dairy lines are intimately related, including the distribution of fluid milk in Canadian cities by the large dairy companies, and the manufacturers of cheese, ice cream, condensed milk and powdered milk. If butter falls, producers will turn to other outlets for their milk or cream, and thus further aggravate the problem of the various provincial milk boards who have been trying, not altogether successfully, to maintain a high level of prices for milk sold in the towns and cities.

Call Loan Rates to be Cut By Banks From November 1

Call loan rates of several Canadian banks are to be lowered by one half of one per cent from Nov. 1, in conjunction with the reduction of the rate on savings deposits from 2½ to two per cent, The Financial Post is informed. The changes in call loan rates are apparently fairly general with the banks.

Present rates are five per cent on loans secured by government bonds and six per cent on loans on corporation bonds and on stocks. The new rates will be 4½ per cent on loans on government securities, five per cent on corporation bond loans and 5½ per cent on stocks, it is understood. Some select loans have been accepted for some time by banks at 4½ per cent on government securities and 5½ per cent on corporation bonds and stocks, it is reported. These special rates may also be reduced. One trust company is understood to have been making call loans at from four to 5½ per cent for some time. This outside money, however, is regarded as unstable, especially in times of stress.

Bankers generally and the Canadian Bankers Association were reticent to give details of the changes in the call loan rates and in general loan rates, in connection with the coming change of the deposit rate, when consulted on the point by The Financial Post early this week. The Bankers Association simply called attention to a recent statement by the president, Jackson Dodds, as follows:

"The individual banks are studying the situation with respect of reduction in the rates to borrowers and every case will be considered on its merits.

"The banks, however, must continue to give consideration to not only the cost in interest of money they lend, but also to the cost, including taxes, of carrying on business."

Brewing Corp. May Soon Obtain Orange Crush

Brewing Corp. of Canada negotiations for the acquiring of Orange Crush are understood to be nearing a satisfactory conclusion. No statement as to terms could be obtained from either company though one official said the matter had not been concluded.

This would be an important step by Brewing Corp. further into the soft drink field. O'Keefe's ginger ale has a wide sale in Ontario and some other subsidiaries make soft drinks. That department may be organized on a broader scale after Orange Crush is finally obtained. Orange Crush has two subsidiaries, Honey Dew, Ltd., which carries on an active business in Canadian cities in selling Honey Dew and light refreshments, and Latin American Orange Crush Co., which operates in Cuba.

Orange Crush has a plant in Toronto and another in Havana to make concentrates and bottle the company's product. It has bottling plants in Toronto and London and has granted franchises to 85 individual plants throughout Canada to bottle and distribute Orange Crush. There have been several reorganizations since the company was first established in 1921 as Orange Crush Bottlers.

NEW WESTON PROJECTS WILL INCREASE IN U. K. FOR NEXT THREE YEARS

(Continued from page 1)

possible at the lowest prices obtainable.

"The new plant began operations in the city of Edinburgh in the month of April. By August sales had increased 200 per cent and September sales were very much larger than in August. For the last three months we have had a good profit and expect a larger one.

"Our developments in the bread business have been extensive. We bought the bread business of J. K. Smith & Sons, Edinburgh. It has a chain of the finest stores in Scotland and these serve as an admirable outlet not only for bread, cakes and confectionery but to a surprising degree for our biscuits. The company has a very modern bread and cake plant situated in Leith Hill, Edinburgh, and it has been established for nearly 50 years. It has been operating at steadily increasing profit and it makes a very splendid addition to the Weston chain generally.

"The company has taken over as well the firm of Chibnalls Co., Ltd., one of the largest baking concerns of London, England. It has been established and operating as a bread concern for more than 60 years. The plant is situated in Chiswick Mall on the south side of London and the property adjoins the Thames River, making it possible for us to bring in all overseas flour directly by boat. The saving of handling charges on raw materials in this way will be very important. A complete revamping of this picture is under way. More particularly, there is now being installed the most efficient and modern bread and cake plant made."

"Are you keeping the whole British personnel of each company taken over?" Mr. Weston was asked.

"Canadians are being taken over for the senior executive positions. I am a great believer in Canadians and their ability to develop business in other countries. If a man can succeed in Canada with its severe climatic changes, great distances and expensive distribution to a comparatively small population, he is particularly well fitted to go into a new market such as England or Scotland.

Learning From Great Britain

"At the same time don't think Canadians will not have a great deal to learn in Great Britain if they try to enter business life there. You cannot emphasize it too strongly that one of the great reasons for Weston's entering the British market is to learn more definitely in the home of biscuits the secrets of age-old quality. The executives of the company have always felt that it could not help but gain valuable knowledge of the products it has been manufacturing successfully in Canada and the United States as a result of entering into the manufacturing of biscuits in the home of biscuits in opposition to the old established companies.

"Already ideas picked up in Great Britain are being incorporated into operations in Canada and the United States, much to the improvement of our lines and knowledge generally.

"The Canadian field is a harder school than the British or the American, and one trained here is therefore particularly fitted for entering the foreign field."

Robt. Mitchell And Can. Bronze To Co-operate

From Our Own Correspondent

MONTREAL. — Negotiations are expected to be completed this week for a closer working arrangement between Canadian Bronze Co. and Robert Mitchell Co. While no official particulars are available at present it is understood that one phase of the agreement will be the right of Canadian Bronze to use the patents of Robert Mitchell. Both companies are engaged in a similar line of activities, namely brass and bronze processing.

Metal Prices

New York—Oct. 16—
Copper: Electrolytic spot and future, 9c.
Silver: 55⅝c.
London—Oct. 16—
(Long Ton)—
Copper: Electrolytic spot, £28 10s; future, £29 5s. Standard spot, £25 17s. 6d; future, £26 2s. 6d.
Tin: Spot, £231 2s. 6d; future, £229 2s. 6d.
Lead: Spot, £10 2s. 6d; future, £10 7s. 6d.
Zinc: Spot, £11 17s. 6d; future, £12.
Silver: 24⅛d. per ounce.
Gold: 142s. 9½d.
Canada—Oct. 16—
Gold: $34.34.

MORE MONEY TO BE ISSUED BY DOMINION

(Continued from page 1)

Bennett stated that the note issue would probably be expanded by the full $53 millions permissible under the revised statute. He also said that a $40,000,000 works programme would be undertaken and paid for with the increase of currency. This is apparently what is being done. It is understood that the Dominion is just issuing notes for deposit with banks and drawing cheques against these deposits when it needs the money.

Since the broadened powers of note issue can only be exercised by the Dominion in the period prior to the opening of the Bank of Canada, it is expected that nearly $17 millions more currency will be issued before the end of the year. It is a case of issuing it now or not at all.

Not Consulting Banks

The policy of increasing the note issue to help keep credit easy is being undertaken by the Dominion on its own initiative, it is understood. Banks are not being consulted in the matter, The Financial Post is informed.

The Dominion is getting the co-operation of banks on credit-easing, however, in direct reduction of interest rates on deposits and on certain types of loans. Moreover the co-operation of banks toward lowering interest rates through operations in security markets is believed to be forced by the increased note issues, whether the banks like it or not.

Credit Mushroom

The manner in which a total increase of $53 millions in currency issues might expand into a credit mushroom of $530,000,000 is of major significance to the interest rate structure and credit condition of the Dominion as a whole.

The effect of the increased issue is to expand bank cash by an equivalent amount. But excess cash earns nothing for the banks. The reasoning is, therefore, that they may invest most of the extra money. Since good loans are comparatively scarce at present, the funds might be placed in bonds. Such purchases of securities, however, would be expected to increase deposits from those who sold the investments. The banks might, therefore, again find themselves with too much cash and might again invest. The process might be repeated, in theory, until a credit expansion up to 10 times the original currency issue had occurred.

Limitations to Expansion

In actual practice, however, individual banks would probably find that their cash reserves and investments might not increase in just the uniform theoretical fashion suggested in the foregoing. And foreign sales of securities might absorb some of the extra credit created through the expansion of currency. Nevertheless, economists are agreed that the potential influence of the expanding currency issue is toward credit inflation.

If the theoretical reasoning is only partially correct, one result that might be expected would be revival of the demand for gilt-edged bonds with an overflowing of the demand into the market for corporation securities. This would be a step toward the ultimate objective aimed at by the Dominion which is cheaper and more plentiful credit for business and industry and lower rates on existing debt of all kinds.

The sustained expansion of the Dominion note issue since May 31 is shown below:

Dominion Note Issues and Gold Holdings of Minister of Finance, 1934

	Sept. 30	Aug. 31	July 31	June 30	May 31
Note Issues:	$	$	$	$	$
Chap. 4, 1915	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000
Finance Act	37,697,000	40,544,000	40,444,000	37,944,000	38,444,000
Dom. Notes Act	143,306,548	131,784,888	124,759,155	108,713,593	106,666,949
Total	207,003,548	198,328,888	191,203,155	172,657,593	171,110,949
Gold Holdings:					
Against:					
P. O. savings	2,243,298	2,253,823	2,266,190	2,279,765	2,294,959
Dom. notes	53,306,548	41,784,888	34,759,155	27,178,398	69,166,949
Excess gold	16,807,430	28,350,743	36,181,225	43,515,760	371,003
Total	72,357,276	72,389,454	73,206,570	72,973,923	71,832,911

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MANY PROBLEMS LOOMING AHEAD IN NEW DEAL

Further Price-raising Probable Before Stabilization Achieved

FUTURE OF N.R.A.

New Legislative Body Crux of Threefold Control—Self-Government Thought Far Away

By DR. GAINES T. CARTINHOUR
New York University

NEW YORK.—Renewed administrative pressure for higher prices in the U. S. is likely to be undertaken in the near future. Every effort is to be made to prevent any price rise from becoming extortionate or erratic.

President Roosevelt still has unshaken faith in the efficacy of price raising as a primary method of rehabilitating business conditions. He insists his original programme is sound and that price advances will bring wage and re-employment increases essential to recovery.

Inflation Then Stabilization?

As a result of these remarks, Wall Street is again talking inflation, and believes the President is forecasting another advance in administrative monetary policy. He indicated lately he had no immediate plans, but it is generally conceded that within the next few months the administration will be forced to take a definite position for further devaluation and possibly inflation, or adopt conservative policies.

As soon as a satisfactory level of prices is reached, it is understood Mr. Roosevelt favors stabilization to prevent undesirable fluctuations. Thus current announcements from Washington are surprising because of repeated reports that consumption and production were to be used as major guides to recovery, instead of higher prices, on the ground that if prices are deliberately forced upward, consumption would decline and stimulation to employment would be lost.

Future of N.R.A.

As a result of the long-expected reorganization of N.R.A., work of this body is now classified as legislative, executive and judicial. The legislative branch will determine matters of policy; the executive will continue with problems of code administration, enforcement and negotiation; the judicial will act as an independent board of review for complaints concerning code provisions, interpret disputed points, handle certain kinds of labor disputes, and matters involving the anti-trust laws. The most important of the three is the legislative committee of five which will establish and direct the policies of government toward business. There is considerable dispute as to where the line will be drawn between the work of the judicial branch of the revised N.R.A. and the National Labor Relations Board.

President Roosevelt is to have a more direct connection from now on and important decisions will need his personal approval. In other respects the reorganization has turned out to be very little of an innovation. The same confusion will exist and endless red-tape, as well as dislike on the part of business for regimentation.

Code Advisory Office Mooted

It is reported that General Johnson will set up a code advisory office in Washington and also act as an unofficial promoter of industrial peace plans. He will be available on a fee basis to work out differences between labor and industry. The General has denied this report, but it is known that he has already arranged for private office space in Washington.

Recovery in the U. S. under the New Deal has been less effective than recovery in most of the leading countries of the world, including Canada. The New Deal certainly has not pulled the U. S. out of the depression. Government policies of economic planning in Washington are not only retarding recovery in the U. S. but also throughout the world, according to an implication in the League of Nation's annual economic survey of the world (reviewed elsewhere in this issue).

No Return to Self-Government

The N.R.A. reorganization gives little promise of a return of industry to self-government. It has apparently been effected on the assumption that N.R.A. is to be permanent. Furthermore, it is the common assertion that 95 per cent of the business of the U. S. is now under code control and Washington implies that this has been brought about by voluntary action. The fact of the matter is that much of it has been involuntary and that which has been voluntary to a large extent has been for the purpose of securing selfish benefits at the expense of less powerful competitors. The N. R. A. was originally set up as a co-operative proposition but has not been handled in this way.

N.R.A. has become so unpopular that the abandonment of a large part of it has been necessary as a matter of political expediency. To the harassed business man, even the new setup is really worse than useless. What he wants is a definite statement as to what the N.R.A. is going to do about competitive practices, minimum prices, costs, and other significant matters.

An extremely complicated set of rules and regulations have been put into effect comprising over 10,000 pages. Intended as a measure to meet an emergency, N.R.A. has actually developed into a means of effecting social reform on a permanent basis. At least this seems to be the intent of the administration. Furthermore, it seems to operate on the assumption that the same rules governing hours, working conditions, and wages can be applied to both small and large concerns in the same industry. In the final analysis, however, the question of permanence gets down to whether or not American business is willing to submit permanently to planned economy, regimentation, or whatever it may be called.

Two features were definitely retained in the revision. One is the prohibition of child labor, and the other is the preservation of the right of collective bargaining. The future of N.R.A. raises at least three questions of vital importance—price fixing, restriction of output, and labor relations. The last of this group was discussed in some detail in a recent dispatch to The Financial Post.

Price Fixing Provisions

Price fixing provisions in codes have caused much difficulty and have already received considerable attention in the courts. Only recently the second Federal Court prohibited price fixing in the lumber industry by N.R.A. on the grounds that even the President, through N.R.A., was not authorized to permit such provisions in codes. Many developments, which space limitations do not permit discussing, indicate the inherent difficulty of fixing wages and prices in any comprehensive way in a country of so widely varying conditions of industry and labor as the U.S.

If and when price fixing should be abandoned as an N.R.A. policy the consumer stands to gain by lower prices generally, and the manufacturer and retailer by a larger trade volume. Before the U.S. Supreme Court recesses early next June, this body is expected to have gone over much of the New Deal legislation and the law on which it is based in order to determine its validity.

Codes have not been observed in many respects. Many code authorities are in a state of helplessness because there is little use in seeking to enforce codes when there is no certainty as to what can be enforced. The President wants code enforcement and has requested an N.R.A. committee to prepare a report on methods for vigorously and effectively prosecuting violations of codes.

A tremendous obstacle to an improvement in business in the U.S. is the lack of confidence to carry on trade and industry at a profit. The problem of how to make goods at present costs that can be sold at prices which people can pay is oppressing all the manufacturing industries. What will happen if an increased cost burden is saddled on manufacturers and producers?

GROWING EXPORTS OF ROUGH TIMBER ALARMS SAWMILLS

Australia Joins Japan in Demanding Unfinished Timber

From Our Own Correspondent

VANCOUVER. — While British Columbia has been priding itself on the growth of lumber exports this season, a growing tendency to ship logs rather than finished lumber has caused mild alarm in some sections of the timber industry.

Japan has always specified that most of the lumber shipped from British Columbia shall be in what is known as "squares," so as to provide as much employment for her own labor as possible. Squares are large timbers on which there has been very little mill handling.

Japan Market Valuable

British Columbia would prefer to send a more finished product to Japan, thereby ensuring more work for B. C. sawmills, but this practice of Japan has not been the cause of much grievance because in the past the Orient has provided a valuable outlet for lumber not readily saleable in other markets, and orders from Japan have often been the salvation of the B. C. lumberman at times when sales elsewhere have shrunk almost to the vanishing point.

Australian Trade

A more serious complaint has been provided in recent months by countries such as Australia. Thanks to the preferential tariff, British Columbia has been able to oust the United States from Australia almost entirely, and sales to the commonwealth have been an item of growing importance. However, Australia has evidently been taught a lesson by Japan; for the tendency now is to build sawmills in cities such as Melbourne to handle logs shipped from British Columbia, thus saving manufacturing costs in Canadian sawmills and providing work for Australians at the expense of B. C. workers.

Log exports to Australia, Japan and other overseas markets have been increasing steadily this year, and every log shipped means so much lost labor to B. C. sawmills, the loggers and shippers being the only members in the transaction to benefit directly.

U. S. A. Threat

Practically all the logs exported are from Crown grant lands, as the provincial government controls and prohibits the export of logs from timber on other property. The argument used by the exporters is that if they were denied the right to ship logs from B. C. they would make their purchases in the United States.

JAPAN PURCHASES MORE NEWSPRINT

Buys Less Canadian Pulp in 1934 Than Was the Case in 1933

From Our Own Correspondent

MONTREAL—Japan increased her purchases of Canadian-made paper during the first half of 1934, compared with the same period in 1933. According to returns reported by the Department of Trade and Commerce, Japan imported 478,024 cwts. of paper from the Dominion in the first six months this year, a gain of 37.5 per cent over the corresponding months of last year.

By far the largest share of the paper trade between Canada and Japan is in newsprint. For the first six months this year newsprint shipments totalled 378,216 cwts., as against 315,167 cwts. in 1933, a gain of 20.0 per cent.

Some Canadian sulphite pulp is also imported by Japan for further processing into rayon yarns. Between January and June this year Japanese importers purchased 19,628 tons of Canadian pulp. This represents a marked decline from last year, when in the half year 30,972 tons of Canadian pulp were imported. The trade returns show no falling off in demand, rather has there been an increase, pulp producers in the United States and Sweden benefitting at Canada's expense.

DOMINION COAL STRIKE SETTLED

Union Calls Off Short-lived Strike — Negotiate Wage Matters

From Our Own Correspondent

MONTREAL.—Labor troubles at the No. 2 colliery of the Dominion Coal Co. at Glace Bay have been overcome for the time being by the calling off of the 7-day strike of the Amalgamated Mine Workers.

Demanding better working conditions and an increase in pay, members of the Union went on strike last week. The United Mine Workers, the older and officially recognized union, did not fall in with the plans of the other union. The company took the stand that under its agreement with the workers no negotiations would be carried on while the men were on strike.

Officials of the United Mine Workers preferred to attempt to secure higher wages for longwall workers by negotiations rather than by means of strike. Consequently the A.M.W. were not successful in bringing about a general strike.

With the return of the workers to the mine, it is expected that negotiations will be opened up with a view to arriving at a satisfactory settlement between the men and the company on the matters in dispute.

Hamilton Harbor Remains Free Until 1937 at Least

Hamilton harbor will remain free until 1937, at least, the date of expiration of an agreement between the city and the Harbor Commission, the Hamilton Board of Control decided recently.

A committee will be named to make a survey of Hamilton's harbor needs

New Brunswick Advances Money to Gloucester Co.

From Our Own Correspondent

MONTREAL — A temporary loan has been made by the Province of New Brunswick to Gloucester County to pay existing obligations. This is in line with an arrangement made some weeks ago between the Premier and officials of the county. The loan will be repaid as soon as the county has issued bonds and has had enacted legislation authorizing the same.

Dom. Stores Sept. Sales Show Reduction of 6 p.c.

Dominion Stores reports total sales of $1,475,326 for the four-week period ended October 6.

This, compared with $1,569,470 for the same period a year ago, is a reduction of approximately six per cent.

Obituary

Albert Leonard Foster, treasurer of T. S. Simms and Co., Ltd., died recently at Saint John, N.B.

Albert F. Eddy, inspector at Regina for the Toronto General Trusts Corp., died recently at Stoughton, Sask., while on business for the trust company.

Elias S. Playford, manager of the Waterloo, Ont., branch of the Waterloo Trust and Savings Co. died recently at Waterloo. Mr. Playford joined the trust company some 20 years ago and had held the Waterloo managership for 10 years.

James L. Bathgate, president of Scott Bathgate Co., Winnipeg, died on October 5. Mr. Bathgate was a director of the Canadian Fire Insurance Co., Sovereign Life Insurance Co., Home Investment and Savings Association and Winnipeg Mercantile Trust Co. He was also active in the Board of Trade and the Y.M.C.A. in Winnipeg, serving a term as president of the latter organization.

Howard F. Smith, of Montreal, vice-president and sales manager of the Port Royal Pulp and Paper Co., died recently at Cincinnati, O. Mr. Smith was formerly general manager of St. Maurice Pulp and Paper Co., which organization he joined in 1911. When the St. Maurice Co. was absorbed by Consolidated Paper in 1926, Mr. Smith resigned as general manager and some time later joined the Saint John firm, continuing to reside in Montreal.

Elias Talbot Malone, K.C., prominent in legal, financial and Masonic circles died at Toronto on Oct. 9, in his 81st year. He was born in Kings County, Ireland, in 1854 and came to Canada in 1863, settling with his parents in Ingersoll, Ont. He was called to the Ontario Bar in 1877. Mr. Malone was chief legal adviser to many important concerns and actively connected with financial, insurance and industrial undertakings. He was vice-president, general counsel and solicitor of the Toronto General Trusts Corp.; vice-president of the Imperial Life Assurance Co., a director of the Central Canada Loan and Savings and Toronto Type Foundry Co. and a former director of the Toronto Globe. He was also connected with various benevolent bodies.

Sugar Beets Successful

It is expected that the Southern Alberta sugar beet crop this year will be slightly heavier than last year.

"AN EYE TO THE FUTURE - AN EAR TO THE GROUND"

—this describes General Motors' policy, a policy by which the public is given *what it wants in better cars* year after year, and yet is safely protected against ill-timed or dubious experiments

1931
1932
1933
1934

Again...

There's no question about this matter of Leadership

As everyone knows, the cars and trucks of General Motors are again the great sales leaders.

We are proud of such a record, naturally. Yet it is no secret that this success is due in large measure to the public itself.

More than a year ago, months before production was begun on any of our 1934 models, we checked our designs against the ideas of motorists themselves. Through more than 60,000 answers to our questionnaire, "The Proving Ground of Public Opinion", we learned well in advance just what the public wanted in its new cars.

That, simply, is the story behind this year's sales-leading Chevrolets, Oldsmobiles, Pontiacs, McLaughlin-Buicks, LaSalles, Cadillacs and Chevrolet and GMC Trucks. The story behind Knee-Action Wheels, Streamline Designs and Fisher No-Draft Ventilation. We *knew* they would meet the specifications of motorists.

Looking at the sales figures, you see proof of General Motors' leadership. But more than that, these figures show you just how Canadian motorists estimate the appeal and value of *all* cars on the market.

We believe that this estimate by "other owners" points to a General Motors car as *your* best investment—that it says with emphasis, "There is no question about this matter of leadership!"

GENERAL MOTORS
PRODUCTS OF CANADA LIMITED
A PUBLIC-MINDED INSTITUTION

All General Motors cars and trucks may be purchased on convenient terms through GMAC, General Motors' own time-payment plan.

GM-114

CHEVROLET
. . . for Economical Transportation
OLDSMOBILE
The All-Feature Six and Straight Eight
PONTIAC
The Economy Straight Eight
McLAUGHLIN-BUICK
The Car the World Respects
LASALLE
The Beautiful
CADILLAC
Standard of the World
CHEVROLET AND GMC TRUCKS
For Lowest Hauling Costs

Bank Chat on Current Topics

Effects of Western Air

IT MUST be the bracing western air that has brought forth definite pronouncements from Canadian bankers on various delicate subjects in the last month.

General managers or other senior officials of most of the banks have been making tours of western Canada viewing conditions at first hand. Almost invariably the result has been expressions of faith in the courage of western people in the face of adversity. And the bankers have also spoken freely on subjects on which they are often reticent when in their offices in Toronto or Montreal.

F. A. Rolph, president of the Imperial Bank of Canada, came out boldly at Vancouver with a statement reported in The Financial Post last week to the effect that interest rates will come down and in fact must come down if present debts are to be paid.

H. B. Henwood, general manager of the Bank of Toronto, in an address at Edmonton, forecast lower bank earnings on account of the operations of the Bank of Canada.

Morris W. Wilson, general manager of The Royal Bank of Canada, also foresaw reduced bank earnings as a result of the central bank's privileges, and predicted continued closing of branches.

And other examples of the bankers' frankness were not infrequent.

* * *

Scoop Anticipatory

REDUCTION of the interest rate on savings deposits to two per cent on Nov. 1 will mark the attainment of a level that has been predicted consistently by The Financial Post for many months.

The Wall St. Journal was somewhat previous with an announcement over two weeks ago from its Ottawa correspondent to the effect that the interest rate reduction had already been made. However, the item could be run again on Nov. 1 and be perfectly correct. This might be labelled the scoop anticipatory.

* * *

Group Banking Weak?

THE U. S. senate committee on banking and currency has found that group banking has "inherent weaknesses" and "dangerous potentialities." The recently published report of the committee stated that the collapse of Detroit chain banks in 1933 was not solely attributable to the constituency, competency and honesty of the persons controlling them, but to the way in which they were organized.

The report states that during a period of prosperity, when public confidence in the unit institutions is strong, the group may prosper, but that when adversity dislodges confidence in any of the units, the entire structure is destined to collapse. Unit banks which might otherwise have survived, the report states, are doomed because of their affiliation in the public minds with the weaker units.

We wonder what the committee thinks of the records of the great branch banking systems of Canada, Great Britain and Australia. It appears that the lobby for unit banking carries more weight in Washington than centuries of banking experience in other countries.

* * *

Approval

THE monthly Canadian bank directory lists the branches of the Ontario savings office and the Penny Bank of Ontario. The latter institution for teaching thrift to Canadian school children, in which not a few of us have made deposits, has the hearty approval of bank executives and managers.

The cover of the directory states that the volume is "approved by the Canadian Bankers Association." This, however may not apply to the Ontario savings offices. While the C.B.A. may not officially disapprove of the savings offices, individual bank managers regard them as interlopers in the business of taking deposits.

* * *

Staff Changes

The Bank of Nova Scotia announces the following staff appointments:

G. F. GARDNER to be manager at Sydney, N.S., succeeding W. L. CARSON who has been granted indefinite leave of absence on account of ill health.

A. L. WYANT to be manager at Merritton, Ont.

R. V. HICKSON to be acting manager at Bath, N.B.

Current Events in Banking World

2% Rate on Bank Savings Step to Cheapen Money

New Rate Will Be Lowest on Record—Foresee Boost For Bond Prices and Spread of Interest Reductions

Interest rate paid on savings deposits by the chartered banks of Canada is to be reduced from 2½ to two per cent on Nov. 1, according to a recent announcement by Hon. E. N. Rhodes, Dominion Minister of Finance. The same reduction will be made by the Post Office Savings Bank and the Ontario savings offices on Nov. 1. The move is another step toward lower interest rates throughout Canada.

Other banks, chiefly savings banks in Quebec, will make the same reduction, but on Dec. 1, instead of Nov. 1.

Trust and loan companies which pay interest on deposits will reduce their rates from three to 2½ per cent on Jan. 2, 1935.

The changes conform exactly with the advance indication of what new rates might be expected made in The Financial Post of June 30.

Previous Reduction

Interest rate on bank savings was reduced to 2½ from three per cent on May 1, 1933. At that time, trust and loan companies cut their rate from four to 3½ per cent. On July 1, 1934, the trust firms reduced their rate to three per cent but banks made no change in the 2½ per cent rate. The reductions that are to be made shortly will leave the trust and loan firms paying a 25 per cent higher rate than the banks. This is not far out of line with the 33 1/3 per cent higher rate paid in 1933 prior to the first reductions.

Comparison of rates follows:

Comparison of Bank and Trust Company Rates on Deposits

Date	Bank rate	Trust rate	Per cent trust rate higher than banks
	%	%	%
Jan., 1935 ...	2	2½	25
Nov., 1934 ..	2	3	50
July, 1934 ..	2½	3	20
July, 1933 ..	2½	3½	40
July, 1932 ..	3	4	33 1/3

New Low Record

The reductions to be made will bring savings deposit rates in Canada down to new low records. Since the Bank of Montreal accepted a large deposit at six per cent in 1819, there is no official record of a rate of less than three per cent. It is believed, however, that only 2½ per cent may have been paid on some deposits in the 1890's. But the uniform rate of two per cent on savings is definitely a record low.

Possible Effects

The effect of the coming rate reductions is expected to be to give further impetus to the advance of gilt-edged bonds. The intention of the Dominion Government in sponsoring the reductions is to further its campaign for generally lower interest rates in Canada. So far the policy has succeeded in lowering rates by raising gilt-edged bond prices. Corporation bond prices have been steady for some months, but have failed to follow the rise of Government issues.

Bond dealers view the coming reduction of savings interest as an inherently strengthening factor for corporation as well as gilt-edged issues. It is pointed out that the movement of the bond market has been directed largely to lifting gilt-edged bonds, although corporation bonds had a sharp advance early this year.

Corporation Bonds

The effect of the coming interest cuts, it is believed, will be to alter the direction of investment, because obviously a 3½ per cent rate on Government bonds will be made relatively more attractive when the bank interest rate is cut from 2½ to two per cent. Yields on corporation bonds, however, still show a wider than normal spread from yields on Government bonds. Thus, while the interest rate cuts are expected to give strength to Government bonds, it is believed that there may be some tendency for the effects to be felt even more strongly by corporation liens.

If secondary bonds are strengthened in this manner, the Government would be realizing its ambitions. Ottawa's intention has been to make credit cheap to business generally. A rise of corporation bonds and a tendency toward cheaper mortgage money so that construction industries would be benefitted are among the direct objectives at which the Dominion is aiming.

World Rates Declining

W. C. Clark, Deputy Minister of Finance, Ottawa, has pointed out the tendency toward lower interest rates on an international scale. He calls attention to a recent study by the Department of Economics of Canterbury College, Christchurch, N.Z., which states:

"The general fall in interest rates during the last two years is quite characteristic of the later phases of a severe depression. It usually happens that in the earlier stages of a depression money is scarce and interest rates are high. Later on the supply of money becomes more abundant and, with the reduced volume of trade, lower prices, and weakened confidence, the demand for money declines and interest rates fall to low levels.

"In 1931 the English bank rate and the Australian Commonwealth Bank's treasury bill rate both stood at 6 per cent. Now the English bank rate is two per cent and the Commonwealth treasury bill rate 2¼ per cent.

Exceptions Few

"Except in the case of a few countries whose trade balance is unfavorable, and whose financial position remains very difficult, this downward movement of interest rates is general throughout the world. The movements of bank rates, which are typical of changes in the rates ruling for short term money, are shown in the following table:—

Central Bank Rates

	End of 1931	End of 1932	End of 1933	March 1934
	%	%	%	%
London ...	6	2	2	2
Paris	2½	2½	2½	3
Berlin	7	4	4	4
New York	3½	2½	2	1½
Amsterdam	3	2½	2½	2½
Rome	7	5	3	3
Calcutta ..	8	4	3½	3½
Tokio	8	4	3½	3½

Imperial Managers Meet at Edmonton

From Our Own Correspondent

EDMONTON.—Branch managers of the Imperial Bank of Canada gathered here recently for a conference when President Frank A. Rolph and party stopped for a day on their western tour.

Managers of some 15 branches in this part of the province attended the conference. These were: G. R. F. Kirkpatrick, main Edmonton branch; L. S. Mackersy, assistant manager; H. W. Harrison, west end branch; J. Vereker, Norwood branch; J. M. Kinnear, South Edmonton branch; H. W. Wright and A. Freeson, Wetaskiwin; A. McMillan, Red Deer; A. MacKenzie, Jasper; E. Eburn, Donalda; M. Cook, Edberg; H. C. McDonald, Edson; J. McGregor, Ferintosh; J. A. English, Millet; J. A. Black, New Norway; J. H. Clark, Sangudo; F. L. Appleton, Sylvan Lake.

During an interview here, A. E. Phipps, general manager of the bank, said there was no necessity for a central bank in Canada at present. But as there was to be one, the Imperial Bank in common with others would co-operate to the fullest extent.

When asked if the Imperial Bank would close some western branches in view of the central bank entering the field, the general manager could not say, explaining that it was not known yet how the new bank would function.

A. J. Wishart President Winnipeg Lecture Club

A. J. Wishart, manager of the Grain Exchange branch of the Royal Bank of Canada, was elected president of the Winnipeg Bankers' Lecture Club for 1934-5 at the recent annual meeting of the club.

C. O. Bell, manager of the Portage and Kennedy branch of the Dominion Bank was elected vice-president and H. S. Chambers, manager of the Stock Exchange branch, St. Boniface, the Bank of Toronto was re-elected secretary-treasurer.

Other bank representatives elected were as follows: William Marshall, Bank of Toronto; W. L. Gilliland, Imperial Bank of Canada; A. R. Leveque, Banque Canadienne Nationale; A. M. Turner, the Canadian Bank of Commerce; V. R. Purser,

Hull Electric Co. Has Deficit in 1933

From Our Own Correspondent

MONTREAL—Net earnings of the Hull Electric Railway Co. for 1933 amounted to $5,598 before interest and depreciation, according to a statement made at the annual meeting of the company. After depreciation and interest, there was a loss of $70,690 compared with a loss of $54,196 in the preceding year.

Public Utility Earnings

Mexico Tramways and subsidiaries

	1934	1933	Increase
August	$	$	$
Gr. earn.	215,493	220,834	*5,341
Oper. exps. & deprec.	260,409	302,146	*41,737
Net earn.	†44,916	†81,312	36,396
8 Mos. end. Aug. 31:			
Gr. earn.	1,662,470	1,877,778	*215,308
Oper. exps. & deprec.	2,119,787	2,480,928	*361,141
Net earn.	†457,317	†603,150	145,833

† Deficit. * Decrease.

The Mexican Light & Power and Subs.

	1934	1933	Increase
August	$	$	$
Gross earn. ...	641,525	720,442	*78,917
Oper. exps. & deprec.	474,910	437,704	37,206
Net earns.	166,615	282,738	*116,123
8 Mos. end. Aug. 31:			
Gross earns. ..	5,517,305	5,971,938	*454,633
Oper. exps. & deprec.	3,608,871	3,780,471	*171,600
Net earns.	1,908,434	2,191,467	*283,033

* Decrease.

To Yield 4.71%

Province of Alberta, according to recent estimates, will receive from this year's wheat crop $27,740,000 more than last year. This marks an increase of over 58% in the value of the crop.

Province of Alberta Bonds yielding an interest return of 4.71% to maturity, provide an investment opportunity of merit.

Province of Alberta 4½% Bonds
Due July 16th, 1958.
Payable in Canada, New York or London, Eng.
Price: 97 and interest, to yield 4.71%

It is convenient to order by mail.

Wood, Gundy & Company Limited
Toronto, Montreal, Winnipeg
36 King Street West, Toronto, Phone: Elgin 4321
Vancouver, New York, London, Eng.

Wilcox Vice-president Shredded Wheat Co.

W. J. Wilcox has been elected vice-president of the Canadian Shredded Wheat Company Limited.

Mr. Wilcox has been with the company for 25 years, latterly in the capacity of general sales manager.

Weekly Bank Clearings

	Oct. 11, 1934	Change Year Ago	Oct. 4, 1934
	$	%	$
Halifax	1,874,270	+11.5	2,570,404
Saint John .	1,417,412	+32.0	1,806,858
Moncton	570,897	+ 8.9	675,018
Sherbrooke .	548,210	—25.3	729,674
Quebec	3,362,507	+ 7.4	4,663,468
Montreal	88,526,642	+16.5	121,250,531
Ottawa	3,844,253	+18.4	4,864,752
Kingston ...	499,726	— 0.6	681,133
Peterborough	484,301	— 1.3	671,231
Toronto	91,960,897	+ 7.0	129,630,422
Hamilton ...	3,604,971	+28.4	4,726,681
Kitchener ...	991,530	+ 3.3	1,184,635
Brantford ...	767,179	— 1.1	806,742
London	1,922,438	+ 8.4	3,200,366
Chatham ...	382,868	+14.2	462,975
Windsor	1,519,634	— 0.1	2,391,201
Sarnia	304,583	—13.0	470,350
Sudbury ...	670,041	+38.8	754,544
Ft. William .	665,854	+49.8	748,978
Winnipeg ...	57,140,663	+ 4.0	86,662,353
Brandon	320,143	+10.4	458,281
Regina	4,833,009	+15.3	5,413,138
Moose Jaw ..	504,109	+ 8.5	658,745
Saskatoon ..	1,446,478	+23.5	1,858,654
Prince Albert	297,071	+15.3	381,359
Edmonton ..	3,902,515	+16.0	4,130,069
Calgary	4,750,133	+10.2	6,917,995
Medicine Hat	219,377	— 6.3	294,293
N. W'minster	575,489	+50.5	521,919
Vancouver ..	13,198,020	+14.1	17,875,239
Victoria	1,275,529	+ 2.1	1,815,705

CANADA NORTHERN REPORTS PROGRESS

Quarterly Report Outlines Developments in Territory

From Our Own Correspondent

MONTREAL—Commenting upon the increased earnings of the company, the management of Canada Northern Power Corp. in the current quarterly letter to shareholders outlines developments in its territory.

During the past summer, the communication states, extensions have been made to the new lines built earlier in the year to the Cadillac, Siscoe areas—one being a branch line to serve Lamaque Gold Mines in Bourlamaque Township, while service was furnished to McWatters Gold Mines in Rouyn Township by means of another feeder. A short line was also constructed from the Blouin Lake substation to the mining operations of Greene-Stabell Gold Mines and the Sullivan Consolidated Gold Mines, while in the Boischatel area a feeder was built to the Lake Fortune Mine.

Mill Additions Help

In the Kirkland Lake area the mill extension at the Sylvanite Mine was completed and placed in operation in August, and an additional pumping unit was brought into service at the McTavish Lake pumping station.

At Porcupine while the established mines maintained their operations at the customary level of production, the mills at Paymaster Consolidated Mines, and Canusa Gold Mines have recommenced production.

Rebuilding operations at Aldermac Mines, necessitated by fire damage last spring, have been completed and both mine and mill are again utilizing power from the company's lines.

In the new Cadillac-Siscoe area, new customers in receipt of service in addition to the Cadillac-O'Brien Mine, mentioned in our last report, include Lamaque Gold Mines, Greene-Stabell Gold Mines, Sullivan Consolidated Gold Mines, Thompson-Cadillac Mines, McWatters Gold Mines.

Montreal Power Rate Case Up For Hearing

From Our Own Correspondent

MONTREAL.—Montreal Light, Heat and Power Cons. brief concerning the new schedule of domestic electric rates has been filed before the Quebec Public Service Commission and will come up for consideration this week.

If the proposed tariff is authorized by the commission, the company will make the new rates applicable to all residential consumers after the November-December bi-monthly reading.

Public Utility News

STEAMERS BETTER OPERATING PROFIT TO END OF AUGUST

Bondholders Informed of $1,250,000 Reduction in Bank Loans

From Our Own Correspondent

MONTREAL — Substantial improvement in the operating and financial position of Canada Steamship Lines in the first eight months of this year, in comparison with a like period in 1933, is set forth in a letter forwarded to bondholders by the Bondholders Protective Committee.

Up to the end of August, income from operations improved by nearly $500,000 as against the same eight months last year, while secured bank loans have been reduced from $2,750,000 to $1,500,000 since the beginning of 1934.

Gains Are Substantial

The letter dispatched to the bondholders reads, in part, as follows:

"The company's operations for the period ended August 31, 1934, giving effect to the operations of all subsidiary companies indicates a lessened loss of $483,000 as compared with the same period of the preceding year, and this improvement is maintained after payment of interest on the five per cent debenture stock and/or bonds and on the bank loans. Practically all the company's services have contributed to this improvement.

"Since January 1, 1934, the secured bank loans have been reduced from $2,750,000 to $1,500,000 and the cash position of the company is now being built up to avoid the necessity of additional borrowing during the non-revenue winter months and to make provisions for refitting vessels, etc., for the spring of 1935. The ability of the company to make progressive reductions of such bank loans with the possible release of securities pledged seems assured.

"Owing to the accounting policy of the company and its subsidiaries of setting aside substantial reserves to cover depreciation and other requirements, the cash resources of the consolidated enterprise for the period, after payment of all current operating expenses and taxes, is substantially in excess of net income. Such resources since January 1, 1934, including cash on hand, amounted to $1,990,000 out of which amount, (a) $1,250,000 has been applied in reduction of the secured bank loans; (b) $480,000 has been applied by the company in payment of interest on prior debenture stocks and bonds and in payment of other miscellaneous charges and expenses including prepaid future expenses; leaving a balance of cash in the bank on August 31, 1934, of $260,000.

Look For Maintenance

"While it is impossible at this time to forecast accurately the probable results of operations for the remaining months of the season of navigation, indications are not lacking that the improved showing of the year to date will be fully maintained; further improvements depending largely upon the movement of grain for export prior to the close of navigation. Improvement to date has been made despite the abnormally low water on the Great Lakes and St. Lawrence River, which has considerably reduced the carrying capacity of the company's freight vessels.

"The freight rates on grain and other commodities have been generally well maintained on a somewhat higher basis than was in effect in 1933.

"Since the formation of this committee no further assets of the company have been encumbered in any way and the directors have given an undertaking that none will be encumbered without the consent of this committee.

"The committee has made proposals to the company calculated to better safeguard the bondholders' position and will consider the situation further as soon as the result of the year's operations is known. The committee will then report regarding the prospects and possibilities of any rearrangement advantageous to the bondholders' interests.

"Bonds to the amount of $6,844,000 have been made subject to the Deposit Agreement to date and the time for deposit has been extended to December 31, 1934."

SOUTHERN CANADA MAINTAINS INCOME

Interim Statement Sets Forth Activity in Area

From Our Own Correspondent

MONTREAL—Further industrial developments in its territory are outlined by Southern Canada Power Co. in the current quarterly letter to the holders of the preferred stock.

The report goes on to say:

At Granby, Stark Bros. Ribbon Corp. have taken up 10,000 feet of additional floor space and are installing 16 new looms as well as a larger number of warpers and winders. Other industries are working to full capacity.

At Knowlton, the Brome Lake Duck Farm have added to their duck houses. They are shipping in increasing quantities to England.

At Richmond, a new industry has begun operations: The Dubois Knitting Co. La Diva Shoe Co. is working overtime filling large orders. Business conditions are steadily improving.

Plant Activity Greater

At Cowansville, Footwear Findings of Canada, have installed supplementary braiders. The F. W. Vilas Co. report increased activity in their foundry and enamel departments.

At Bedford, the Torrington Co. are building an addition to their plant to enable them to cope with increasing orders. The firm is working overtime and business generally is satisfactory.

At Lennoxville, a new industry the Canada Ingot Co. has begun operations.

At Drummondville, all industries are working to full capacity and Canadian Celanese, Butterfly Hosiery and Louis Roessel and Co. are on night and day shifts.

At Marieville, Knitters Ltd., are very busy filling new orders.

Negotiations have just been completed for the erection of a small textile factory in St. Johns, Que., details of which will be published later.

At St. Johns, work is being carried out on the distribution system to increase its capacity. In addition to the new feeder and substation to serve Knowlton, reconditioning work has been performed on the original feeder line. The distribution system has also been strengthened to accommodate an increased load in this area.

Foreign Exchange Markets

SHARPLY divergent movements in foreign exchange in the week ended Oct. 15, resulted from the assassination of King Alexander of Yugoslavia, and from President Roosevelt's announcement that he is not satisfied with the U. S. price level.

One result has been that the London price of gold has gone above 143s. But the Canadian and American currencies have remained fairly steady against sterling.

It is becoming apparent that the gold standard countries are in the position of Great Britain between 1925 and 1931. They cling to gold but strive to avoid the intense deflation called for by this policy. Sooner or later, it is believed that devaluation or deflation will have to come. Devaluation is usually the least painful.

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	Oct. 9	Oct. 10	Oct. 11	Oct. 12	Oct. 13	Oct. 15
U. S. dollar, High ..	.5906	.98⅛	.98⅛	.98¼	.97⅝	.97 15/16	.98
Low ..	.5906	.97⅝	.97 15/16	.97 15/16	.97 7/16	.97⅞	.97 15/16
1933 High ..	1.000	....	1.02 3/16	1.02 3/16	1.02 3/16	1.03¼	1.03¼
Low ..	1.000	....	1.02⅛	1.02 3/16	1.02¼	1.02⅜	1.02 15/16
U. K. pound	4.8665	4.82¼	4.80	4.82	4.83	4.82	4.81
Argentina	.4246	.2557	.2576	.2568	.2568	.2576	.2568
Australia	4.8665	3.8357	3.8250	3.8416	3.8416	3.8352	3.8294
Austria	.1407	.1869	.1871	.1870	.1873	.1870	.1870
Belgium	.1392	.2294	.2298	.2310	.2314	.2305	.2306
Brazil	.1963	.0734	.0735	.0734	.0734	.0734	.0734
Czechoslovakia	.0296	.0410½	.0411	.0413	.0414	.0413	.0413
Denmark	.2680	.2154	.2147	.2157	.2160	.2153	.2148
France	.0392	.0647	.0649	.0651	.0650	.0651	.0651
Germany	.2382	.3955	.3965	.3981	.3987	.3980	.3980
Greece	.0130	.0093¾	.0094	.0094	.0094	.0093¾	.0094
Holland	.4020	.6656	.6675	.6696	.6705	.6698	.6694
Hungary	.1749	2.936	.2941	.2952	.2956	.2946	.2947
India	.3650	.3631	.3667	.3631	.3630	.3666	.3657
Italy	.0526	.0842	.0843¾	.0845	.0845	.0846	.0845
Japan	.4985	.2834	.2843	.2835	.2845	.2849	.2845
Jugoslavia	.1929	.0225½	.0225	.0228	.0228	.0227	.0226
New Zealand	4.8665	3.8510	3.8403	3.8569	3.8569	3.8506	3.8447
Norway	.2680	.2423	.2416	.2424	.2428	.2423	.2417
Poland	.1122	.1882	.1884	.1882	.1882	.1884	.1880
South Africa	4.8666	4.8117	4.7983	4.8191	4.8191	4.8111	4.8038
Spain	.1929	.1343	.1345	.1349	.1349	.1350	.1349
Sweden	.2680	.2487	.2479	.2489	.2493	.2485	.2482
Switzerland	.1930	.3204	.3211	.3225	.3230	.3223	.3221
Hong Kong	.5422	.3974	.3991	.4142	.4178	.4112	.4132

AN ALL-CANADIAN INSTITUTION

1866 1934

Montreal Tramways Passengers

... travelling in the old horse-drawn vehicles in the late '80's, used street car tickets handsomely engraved by this Company. During the intervening years the Company has supplied to Montreal Tramways stock certificates and bonds to a face value of many millions of dollars.

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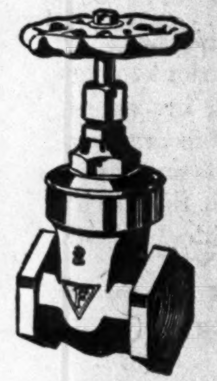
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News of Investment Markets

DOMINION LOAN SHREWDLY SOLD BONDS FIRMER

But Despite Favorable Factors Bonds Rise Sharply

With oversubscription of the Dominion loan, announcement of the long-anticipated reduction of interest on bank savings to two per cent, and continued expansion of the currency base for credit in Canada, bond markets have shown a clear-cut tendency to improvement in the past week.

The recent decline of gilt-edged bonds appears to have been halted, despite the premium on the Canadian dollar in London and New York, ordinarily a depressing factor. Western provincial and municipal issues have been firm but quiet. A general strengthening in prices for corporation bonds was a bright feature in last week's market.

Loan Allotted

The Dominion's $250,000,000 loan was oversubscribed by some $30 millions and allotments were made as follows: 1936 and 1939 issues, subscriptions up to $25,000 in full; above $25,000, 50 per cent of the subscription, with a minimum of $25,000; 1942 and 1949 issues, up to $25,000 in full; over $25,000 and up to $500,000, 70 per cent, with a minimum of $25,000; above $500,000, 50 per cent, with a minimum of $350,000.

The Government apparently gauged the receptiveness of the market and the price for the new loans to a nicety. Open market prices early this week were closely in line with the figures at which the bonds were offered, as shown below:

Issue:		Sale Price	Oct. 16 Prices Bid	Ask
2%	1936	98.90	98¾	99
2½%	1939	98.15	97⅞	98⅛
3%	1942	97.00	97	97¼
3½%	1949	96.50	96⅛	96⅜

Pros and Cons

Movement of gilt-edged issues reversed the recent declining trend on October 16. Factors considered as strengthening to the market are: forthcoming reduction of interest on bank deposits; increasing issues of Dominion currency as a basis for bank credit expansion into securities; forthcoming cash redemption of unconverted portion of Nov. 1 loan maturity.

Chief unfavorable factors are: premium on Canadian currency; international economic uncertainty; counter attractions of junior type securities.

The trend of gilt-edged bonds is shown below:

Average Yield and Price for Seven High Grade Canadian Bonds

1934	Yield %	Price $	1933	Yield %	Price $
Oct. 16	3.834	110.04	Oct. 17	4.420	103.71
Oct. 15	3.857	109.79	Oct. 16	4.420	103.71
Oct. 13	3.857	109.79	Oct. 14	4.430	103.73
Oct. 12	3.851	109.86	Oct. 13	4.427	103.77
Oct. 11	3.853	109.83	Oct. 12	4.423	103.78
Oct. 10	3.854	109.81	Oct. 11	4.424	103.77
Oct. 9	3.853	109.83	Oct. 10	4.433	103.62
Sept. 29	3.814	110.32	Sept. 30	4.459	103.34

Corporation Issues Up

A wide list of fractional gains was recorded by corporation bonds in the week. C. P. R. bonds gained up to 1¼ points. General Steel Wares 6's put on two points, and Canadian Vickers 6's gained 2¼ points. Provincial Paper 5½'s added two points at 98 bid. There was also a number of gains of a point or more.

To Propose Changes Alexandra Apts. Deed

Holders of the 6½ per cent first mortgage bonds of Alexandra Apartments, Toronto, will shortly be asked to ratify a change in the company's capital and in the trust deed covering the mortgage, it is understood.

The sinking fund for the outstanding $284,000 of first mortgage bonds is in arrears, but interest has been earned and paid throughout the depression. The proposals that will be made to bondholders, it is reported, will envisage alteration of the trust deed to allow the calling of a bondholders' meeting upon request of 25 per cent of the bondholders.

The capital of the building consists of the $284,000 first mortgage, $33,000 of secondary mortgages and $350,000 of common stock in shares of $100 each.

Consolidated Theatres Affected by Tax Sale

From Our Own Correspondent

MONTREAL. — Property on Guy Street in Montreal, belonging to Consolidated Theatres Ltd. will be put up for public auction on December 1 by the Sheriff of Montreal for non-payment of taxes amounting to $9,322. This would appear to be property purchased by the company in anticipation of erecting a theatre on it at some later date, but due to change in conditions no action was taken.

Public Utility Earnings

B. C. Power

September:	1934 $	1933 $	Increase $
Gross	1,037,073	1,017,199	17,874
Oper. exp.	700,552	707,715	*7,163
Net earn.	336,521	309,484	27,037
Three Mos. end. Sept. 30:			
Gross	3,109,473	3,034,054	75,419
Oper. exp.	2,142,358	2,152,713	*10,355
Net earn.	967,115	881,341	85,774

*Decrease.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brew.	§5%	1942	Nov. 1	105
Northern Electric	5%	1939	Dec. 1	105
Riordon Pulp‡	6%	1942	Dec. 31	105
Metropolitan Bldg.*	7%	1944	Jan. 15	103½
Rio de Janeiro Trams 1st mtge.	5%	1935	Jan. 1	...

§ Purchase of bonds for sinking fund.
‡ $74,600. * 27,700.

Bond Tenders

Oct. 22, Village of Montmorency Sch. Comm., Que.—$45,000, 5 per cent bonds due serially 1 to 20 years. Edmont Pouliot, sec.-treas.

Investment Notes

Significant Investors' Index Numbers

1926 = 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	17	6	4	4	10	18	8	87	20	113
1929-33:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	23.7	44.0	30.5	38.6
Monthly Figures, 1934:										
January	98.1	11.4	74.9	147.0	66.6	122.6	163.6	118.6	53.5	83.8
February	114.6	13.6	77.1	153.7	73.3	128.2	148.5	123.8	58.0	88.7
March	113.6	13.2	77.1	152.2	76.3	129.4	141.8	128.5	58.0	90.3
April	114.9	13.2	75.2	159.4	76.8	134.3	138.0	133.0	58.1	93.4
May	106.9	13.8	74.3	159.0	79.1	129.9	113.8	128.0	56.7	91.1
June	104.7	12.5	74.1	161.9	77.7	128.1	113.5	126.1	54.5	89.8
July	97.8	10.5	72.4	153.8	72.7	123.3	86.7	116.6	50.6	83.1
August	100.7	9.9	73.2	158.0	73.1	125.5	91.3	120.1	51.2	85.9
September	98.8	9.6	72.6	160.2	71.9	123.4	93.8	118.2	50.1	85.7
Weekly Figures, 1934:										
October 4	102.8	9.1	72.0	162.4	71.1	128.2	108.3	121.5	50.2	91.7
October 11	106.0	9.2	72.2	164.3	71.9	129.4	110.6	122.6	49.6	92.1

*High and low of years from 1929 to 1933 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
Oct. 16	100.98	124.88	87.33
Oct. 15	100.70	125.13	87.19
Oct. 13	101.06	126.03	85.90
Oct. 12	101.24	126.79	86.06
Oct. 11	98.96	125.49	85.27
Oct. 10	97.81	124.14	82.39
Month ago	93.68	123.13	86.00
High 1934	120.12	135.98	116.57
Low 1934	86.85	100.90	82.39

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
Oct. 16	62.3	57.1	58.8
Oct. 15	61.3	56.4	58.0
Oct. 13	61.4	54.4	58.1
Oct. 12	61.6	56.5	58.2
Oct. 11	61.9	56.0	58.0
Oct. 10	61.5	55.0	57.2
Month ago	61.3	53.6	56.2
High 1934	72.0	65.2	67.4
Low 1934	58.0	50.1	53.3

Imperial, Pete Dividends

A THIRTY-FIVE per cent growth in daily crude petroleum output of International Petroleum since January has led the Wall St. Journal to expect that a dividend declaration in October will be at the rate of $1 a share, 56 cents regular and 44 cents bonus. This would mean that the extra dividend of 44 cents declared last April will be declared again in October. If so, this would be an interesting event because it may indicate that the directors think they can keep it up; it is noteworthy that such increased payments in the past have nearly always been continued though always without promise. The Financial Post is informed, however, that the matter has not been considered and that such reports are mere guess work.

Imperial Oil last April also had an extra 15 cents declared in addition to the 25 cents regular dividend due when payments were changed to a semi-annual basis. As Imperial Oil has been drawing nearly two-thirds of its dividend of 50 cents a year in the past from dividends on its holdings of International Petroleum, such an increase in dividends of International Pete would make it able to continue its own bonus payment. If made regular eventually that would mean a basis of 80 cents a year. This report is also guess work.

Such an increase by Imperial Oil would be welcome to Standard Oil of New Jersey, if justified because it holds nearly 70 per cent of the 26,857,152 no par value shares of Imperial Oil. Last week Jersey reduced its gasoline prices in certain parts of its territory by as much as 4.4 cents a gallon to meet competition from independent companies with unbranded gasolines. There is now only half a cent differential and that is not enough to permit such companies to sell unbranded gasoline against branded gasolines.

However that very situation makes the whole oil situation so disturbed that Imperial Oil or International Pete directors are not likely to take any action of a permanent policy nature until it is seen whether the U.S. Government takes Federal control of crude production and prevents hot oil sales.

International Petroleum is stated by Wall St. Journal to have between $7 and $8 a share in cash. Imperial Oil had cash of $15,489,662 at the end of 1933. It is evident that these companies are amply financed to protect dividends for some time if it was decided to keep them on the higher level even at the expense of lower earnings. International Pete does not publish an income statement and therefore ideas as to its profits are mere speculation on the basis of production reports.

Listing Canada Packers

REPORTS that Canada Packers will immediately list the outstanding shares of the company on the Toronto Stock Exchange are somewhat premature, The Financial Post understands. Ever since the merger which led to the formation of this company seven years ago, listing of the stock has been considered but no definite steps have yet been taken. Nor are they being discussed. Eventually, however, the stock will be listed, it is believed, when wider distribution exists or is thought advisable. Some financial men urge that in the case of a company manufacturing products, which are consumed directly by the general public, some benefits would be derived from an active market for the stock.

There are 60,335 cumulative, seven per cent $100 par value preferred shares outstanding of Canada Packers and 200,000 n.p.v. common. The Post understands that there has been very little activity in the stock for the last year and the prices quoted in the unlisted section at present, $100 to $102 for the preferred and $34 to $35.50 for the common, show practically no change from a year ago. It is believed that all this stock is closely held and largely by the same interests as acquired it originally. The fact that arrears in dividends on the preferred have all been paid and the way is now open for dividends on common would indicate that the listing of the shares of the company would be the next logical step.

Abitibi Bonds Hold

MARKET price of Abitibi Power & Paper Co. 5 per cent bonds have remained steady for a week at 26 in spite of the news reports from Sault Ste. Marie that the general strike of bush workers had tied up practically all of the company's camps to the north of Sault Ste. Marie and that the strikers "were digging themselves in for a long struggle."

One reason is that the company is reported to have an ample reserve of pulpwood to supply the Sault Ste. Marie mill for several months at least and possibly until next summer. If cutting were suspended for the whole winter season, the closing of the mill would be necessary at some time in 1935. It takes months to cut and skid the wood ready for delivery to the mill. The strike is directly against contractors who deliver the wood to Abitibi. The company in its contracts, however, sets forth the wages to be paid the men "to protect the latter," it is stated. Price of newsprint still remains low and it is believed that the company will be very loath to add to its costs for wood unless the price rises.

As the company is working under a receivership, with protective committees for bondholders and preferred stock holders in close touch with receiver-manager, there is opposition to increasing wage costs until the company shows sufficient earnings to begin decreasing its liabilities. The amount of money that can be borrowed from the banks to push woods operations is also directly related to the question of whether profitable use of the wood can be made. The wood is security for the loan until it is made into paper, the latter sold and the loan reduced.

It is pointed out that the company has several strings to its bow. It may reduce operations at Sault Ste. Marie and reopen Manitoba Paper Co. where it has been buying pulpwood from the settlers; it may close altogether when wood is gone and transfer its orders to other mills; it may buy far and wide from settlers to make up for the deadlock in its own camps; and it may pay more wages if newsprint prices go up. The loss of the premium on the United States dollar has worked the other way so that the company in one sense has not even the same advantage out of paying wages equal to last year.

Newsprint output in Canada has gone up 30 per cent in 1934 so far over 1933 and that may operate in favor of the men as the wood demands will be greater.

Margin Rules Do Not Disturb

ON OCTOBER 15 the new margin rules prescribed for stock exchanges in the United States went into effect. With the extra fortnight given brokers to get used to the idea the new ruling went into effect with little disturbance of operations. It was reported than less than two per cent of accounts were found to be under-margined on the new basis. Canadian holders were not disturbed by new calls in most cases.

Reducing Brazilian Subsidiary Bonds

BRAZILIAN Traction Light & Power Co., by reason of its inability in recent years to pay cash dividends and its strong liquid position in any case, will be able on January 1, 1935 to redeem $25,000,000 5 per cent first mortgage gold bonds without recourse to further financing. More than half this amount is held in the sinking fund and this subsidiary had more than $4,000,000 in cash itself at the end of 1933. It had loans exceeding $19,000,000 from Brazilian Traction at the end of 1933 and these may be increased to eliminate the bonds. Brazilian had nearly $11,000,000 in cash at the end of 1933 in addition to large holdings of these bonds procured just for the purpose of eventual retirement, it is understood.

Such retirement would still leave outstanding $18,433,998 of 5 per cent 50-year mortgage bonds due April 1, 1958 and $1,317,019 5 per cent 22-year mortgage bonds due October 1, 1950.

Mexican Utilities Disappoint

EARNINGS statements of Mexico Tramways Co. show net deficit 24.18 per cent less for the first eight months of 1934 than in 1933 and for August alone less by 44.76 per cent. Gross earnings in each case showed a decline, but expenses were greatly reduced.

In the case of Mexican Light & Power Co., however, net earnings for eight months at $1,908,443 showed a decline of 17.43 per cent. For August alone the decline was 41.07 per cent. Expenses were higher for August but down for the eight months.

Lobster Catch Steady

The fall lobster season out off Halifax has not up to the present been featured by any large catches. The daily returns are small but fairly regular owing to favorable weather conditions.

NEW ENO COMPANY FLOATED IN ENG. CAPITAL £2,000,000

Gross Profit on Sale of International Proprietaries is £700,586

Launching of Eno Proprietaries Ltd. in Great Britain writes "finis" to a great Canadian enterprise which had its headquarters in Toronto from 1928 until about a month ago. This new company is the successor to International Proprietaries Ltd., which was controlled by the late Harold F. Ritchie.

Control of International Proprietaries was acquired by the London & Yorkshire Trust recently by the purchase of the 335,765 outstanding "A" and "B" shares. These were bought at $37 apiece or for a total of approximately $12,425,000.

The new company now being floated in Great Britain is capitalized at £2,000,000, divided into 1,000,000 one pound shares which are offered at 21 shillings each and 4,000,000 common shares, par value 5s., offered at 11s. Complete sale of this stock at these figures will bring in a gross return of £3,250,000 for a company which was purchased for £2,559,414. This leaves a gross profit of £700,586 out of which must come transfer and selling expenses.

In a published statement the London & Yorkshire Trust estimates the preliminary expenses at £150,000. This includes fees payable to brokers and bankers, a commission on the preference stock placed, underwriting commission not exceeding 2⅛ per cent on the price at which the 4,000,000 ordinary shares are now offered, together with brokerage. Assuming that this estimate proves correct, the net profit on the transaction will be approximately £550,000 or about $2,750,000.

This figures out at slightly over eight dollars per share on the 335,765 outstanding A and B shares at the time of the sale. Holders of these securities received $37 net per share as a result of the transaction. The A shares were originally offered in 1928 publicly by Dominion Securities Corp. at $40 per share. None of the B voting shares were publicly offered.

KEEFER BUILDING UP FOR AUCTION AS TAXES UNPAID

Sheriff of Montreal Will Sell Property on Dec. 1

From Our Own Correspondent

MONTREAL. — Property of the Keefer Realty Corp. will be put up for public auction on December 1 by the Sheriff of Montreal for non-payment of taxes, according to an official notice appearing in the Quebec Gazette. The amount owing by the company on back taxes amounts to $34,545.

This company built the Keefer Building in Montreal. It is a 10-story office structure, with stores on the ground floor.

In order to finance the undertaking the former W. A. MacKenzie & Co. made a public offering of 6½ per cent first mortgage bonds, due 1943. Most recent information is that the company has outstanding $723,000 of these bonds and in addition, $50,000 of common stock.

Interest on the funded debt was defaulted on December 1, 1932. Followed a meeting of the bondholders in May, 1933, when a scheme was approved to exchange interest coupons up to 1936 for 10 cumulative income coupons. A bondholders' committee was put in charge of the property, but judging by the notice of sale for taxes, the earning power of the property did not permit of placing the property on a sound financial footing.

Lake Shore Production Shows Slight Decrease

Bullion recovery of Lake Shore Mines during the three months ended Sept. 30, 1934, declined approximately $109,500 from the preceding quarter, being valued at $2,469,900 as compared with $2,556,759 in the three months ended June 30 last. Ore treated showed a slight increase, mill tonnage amounting to 210,083 tons as compared with the previous quarterly tonnage of 209,867 tons. Average recovery was $11.75 per ton as against $12.29 in the previous three months.

Comparative figures for the three quarters of 1934 are as follows:

Quarter Ended	Tons Milled	Milled Daily	Recov. per ton $	Bullion recov'd $
Sept. 30, '34	210,083	2,334	11.75	2,469,900
June 30, '34	209,867	2,306	12.29	2,579,373
Mar. 31, '34	206,048	2,289	11.84	2,440,000

Revelstoke Net Debt To Be $327,000 at Dec. 31

Net debenture debt of Revelstoke, B.C., including an issue of $16,000 of bonds on which tenders were called last summer, will be $327,000 at Dec. 31, 1934, according to W. A. Gordon, city treasurer. The $16,000 issue was not sold, tenders being considered unsatisfactory.

Mr. Gordon points out that all debentures have been met when due, that there is a surplus in sinking fund and that the ordinary budget showed a surplus of $8,455 in 1933. The 1934 tax levy is $59,304 at 40 mills. Total uncollected taxes at Dec. 31, 1933, were $20,720.

Bond Sales

Stratford

City of Stratford, Ont., has negotiated a private sale of $100,000 of 4½ per cent 10-year serial bonds to A. E. Ames & Co. Half the issue is being re-sold to the city for sale over the counter and for sinking fund, it is understood, and $50,000 of bonds are being offered publicly by the underwriters to yield about 4.30 per cent.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Cost
Stratford, Ont.	Oct.	A. E. Ames & Co.	4½%	....	$100,000	[illegible]	*4.30%
Maple Ridge Dist., B.C.	Oct.	McDermid, Miller & McDermid	5%	1961	23,000	94	5.40%
Teck Township, Ont.	Sept.	Draper, Dobie & Co.	6%	5, 10, 15-ins.	45,720	.....	.....
Teck Township, Ont.	Sept.	Locally	...	5-yr.	28,000	.....	.....

*Offering price.

McINTYRE EARNINGS SHOW SMALL INCREASE

Profits in Third Quarter Equivalent to $1.20 a Share

Earnings of McIntyre-Porcupine Mines during the three months ended Sept. 30, 1934, showed a slight increase over the previous quarter and over the corresponding period of 1933, amounting to $958,399, equivalent to $1.20 per share as compared with $1.19 per share in the three months ended June 30. In the third quarter of 1933 net profit totalled $954,820.

The following tabulation shows the earnings statement for the quarter of 1934 compared with the statement for the previous three months:

	3rd Qtr. 1934 $	2nd Qtr. 1934 $
Gross income	2,091,057	2,052,451
Less: Costs	894,627	858,566
Taxes	157,105	166,301
Depreciation	80,926	75,850
Net profit	958,399	951,734
Earnings per share	$1.20	$1.19

Guelph Carpet Outlines Present Dividend Policy

From Our Own Correspondent

MONTREAL.—Guelph Carpet was one of the companies listed in a survey of corporations paying dividends in last week's Financial Post, as having omitted to pay a dividend in 1934. It is pointed out that the policy of this company has been not to pay dividends quarterly but to wait until the end of the year when the directors are then in a position to determine whether or not a disbursement is justified. Accordingly the records do not show Guelph Carpet as having paid a dividend this year, but the appearance of this company among the dividend payers is possible when the full year's results are known.

CAN. FOREIGN TRUST TO REDEEM BLOCK OF STOCK

Retire $355,000 of Preferred—Heavy Redemptions Past Year

From Our Own Correspondent

MONTREAL. — Canadian Foreign Investment Corp., Canadian holding company for the Brazilian Portland Cement Co., has announced that it will retire as of record date October 1, $335,000 of its 8 per cent cumulative preferred shares at $105 and accrued dividends. This represents a cut of about 23 per cent in the preferred stock and will leave outstanding $1,390,100.

In a statement issued by the company, it was pointed out that this redemption operation has been made possible by the improvement in Brazilian exchange conditions, which has permitted the transmission of funds on account of the indebtedness of the Brazilian Portland Cement Co. to the Canadian Foreign Investment Corp

Gradual Amortization

It is stated that the preferred stock had originally been an underlying security to the debentures of the Brazilian Portland Cement Co. At present the amount of these debentures outstanding is approximately equal to the value of the preferred stock, and a gradual amortization will thus provide funds for the retirement of the corresponding value of preferred shares.

Some large refunding operations have been carried out by Canadian Foreign Investment Corp. over the past twelve months. In addition to the preferred stock called for redemption, as mentioned above, the company redeemed last June $233,000, principal amount of its 7 per cent collateral trust gold debentures and on August 1 cleared off the balance.

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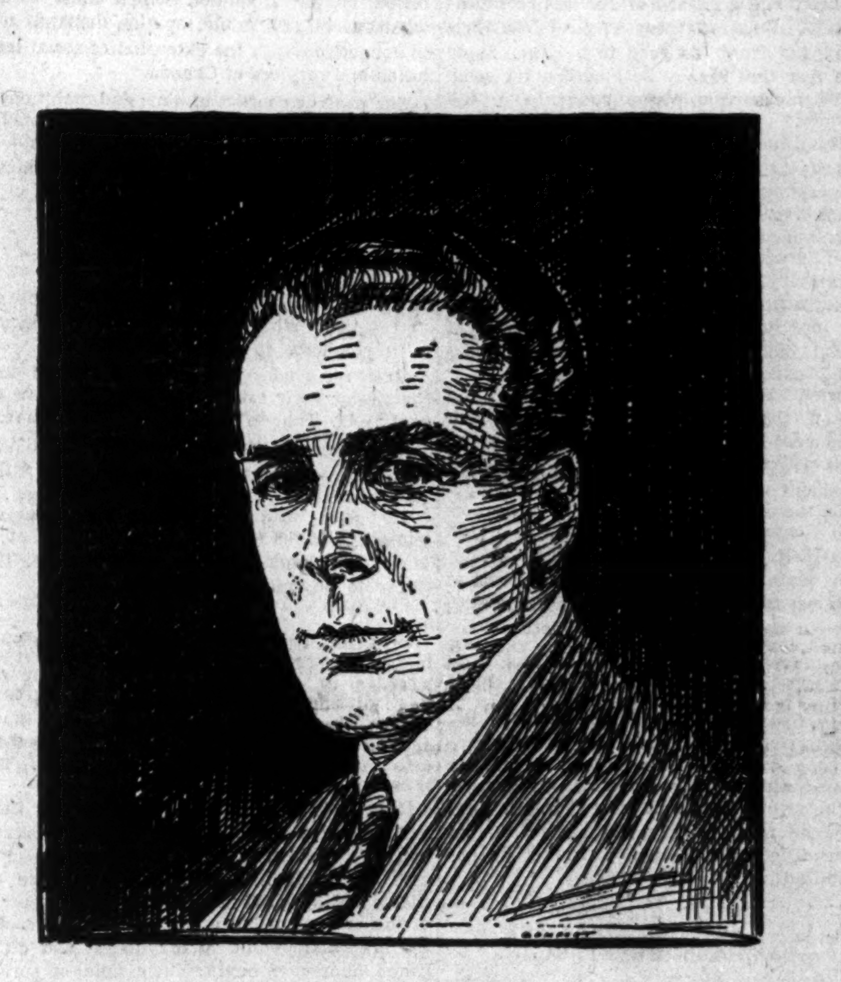
Calgary, Alta.


His Friends Said He Was Lucky

According to them, Luck accounted in large measure for his success as a business man. But those who worked with him and were close to him knew also that he avoided unwarranted risks.

Whenever an inviting investment opportunity came to his notice, he made a point of securing the views of those most closely in touch with the industry or enterprise and checking them against his own and those of others in touch with business conditions generally. If, later, the investment returned satisfactory profits, his friends would again comment on his luck; but the fact was that he had proceeded only after carefully reviewing all related facts and opinions.

The same careful practice preceded his appointing an executor of his will. He consulted a friend, who once had acted as executor. "An executor requires specialized knowledge and experience," his friend told him. "He has a varied set of duties to perform. He must select and manage investments, settle succession duties, keep detailed accounts of all that happens in the estate and perform many other services that an uninitiated executor realizes often too late are a part of his obligations. Modern business has become so specialized that trusts are best administered by the one whose business it is to act as trustee—the trust company."

He was impressed by what his friend said. After talking over the problems of his will with his solicitor, he instructed him to draw his will, appointing National Trust Company his executor.

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Editor—Floyd S. Chalmers
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TORONTO, OCTOBER 20, 1934

ROOSEVELT TURNS TO BUSINESS FOR BETTER ADVICE

EVIDENCE that President Roosevelt is turning on the brain trust and looking more to experienced business leaders for advice multiplies daily. Business men consider Washington's changed front too good to be true. Some of them fear that it may be a screen for some untoward measure to come suddenly in the near future.

But this much the administration has done: abandoned the effort to restore the 1926 price level except through a natural rise in prices following increased business activity; abandoned the idea that raising wages and shortening hours will at once provide prosperity and end unemployment; abandoned the idea that the business firm that makes a profit is a public enemy; modified the price control features of N. R. A.; taken the first step toward abandonment of production control in agriculture.

In brief, President Roosevelt gives the impression that he is in full retreat from "planned economy." Soon Congress may meet; Congress will want to go places and do things; the president may be forced again to counterattack on the social front, in order to compromise with Congress.

Out of N. R. A., business men wish to salvage its best feature; co-operation through trade associations, rather than bureaucratic coercion, to wipe out unethical competitive methods.

Inflation talk is still in evidence. There is a paradox in the situation: the president gives assurance of more conservative policies and yet encourages the hopes of inflationists. He is carrying two bats to the plate; he will have to toss one back into the dugout. If he can stimulate business and a price rise by emphasizing the sound basis that exists for a natural recovery he may not use the bat of further inflation. The present position is that he has not promised not to use it.

W. U. L. DOES NOT SPEAK FOR CANADIAN WORKERS

THE new Deputy Minister of Labor for Ontario recently indicated that in the new Industrial Codes legislation in Ontario all legal labor unions will have to be recognized. This means that the Workers' Unity League will probably be considered a proper spokesman for labor.

Communist labor unions are illegal, but there seems to be some doubt in Mr. Marsh's mind as to whether the W. U. L. is to be regarded as a Communist organization. There isn't that much doubt in the minds of most industrialists and labor men.

A grand jury, sitting in general sessions in Toronto last week, had some comments to make about the Workers' Unity League.

"In a number of bills before the Grand Jury arising from picketing and for assault, we observed that in the evidence a certain element referred to as 'The Workers' Unity League' is exercising an influence which we believe is detrimental to the public welfare, and recommend that this be brought to the attention of the proper authorities," the report read. "The league referred to appears to employ a gang whose sole work is to intimidate and inflict damage by violence against the person or property of any citizen whom they may consider in opposition to their own views or failing to carry out the orders of this organization. We feel strongly that the civil authorities should be given power to deal firmly with such bodies, making the officials personally responsible, together with the culprits, for acts of violence indictable under the Criminal Code."

Surely in writing the new legislation in Ontario it would not be impossible to give the Minister power to designate the unions that will be recognized by his Department. Otherwise, organizations of the subversive character of the Workers' Unity League will obtain official recognition as spokesman for Canadian workers. This would be grossly unfair to the rank and file of employed men of Canada.

Canadian labor is not Communist. It is not fair that anyone should paint the workers of Canada red.

LAND CANNOT FINANCE SOCIAL REVOLUTION

ONE of the reasons for the appalling increase in tax arrears in practically all Canadian municipalities is that we have attempted to build up a structure of municipal services beyond the revenue possibilities of municipal taxation. Emergency relief intensified the problem, but did not create it. The cost of maintaining social services has risen in every municipality. Local governments depend largely on taxes on property for their revenues, and property cannot carry the taxes that have had to be imposed. It is useless to impose taxes beyond the earning power of property, but this is exactly what many municipalities have attempted to do.

Throughout Canada there is an agitation for an increase in the taxing powers of the municipalities. It is voiced by many municipal authorities. Alderman J. B. Seymour, of Calgary, has just issued a lengthy memorandum urging that the provincial governments increase income tax, inheritance tax, gasoline tax, and similar taxes and return the excess so collected to the cities in the forms of grants to replace the present property tax. His proposal is typical of many now being made.

Social services are primarily an effort to redistribute wealth. They are an attempt to achieve Socialism via taxation. Logically, then, they must be financed by taxes that are imposed chiefly on wealth. Income taxes and inheritance taxes are the most brutally effective manner of confiscating a proportion of the larger incomes and the larger estates. The Dominion Government, through its income surtaxes, makes an attempt to take its toll from wealth. The provincial governments attempt to do the same thing. Are we going to have the municipalities also going in for the fatuous business of attempting to soak the rich?

If we are to have social services and paternalistic legislation, they cannot be financed by the municipalities, whose governmental functions should be much simpler and less expensive than they have tended to become in recent years. Only to a limited degree can they be financed by the provinces whose burdens in education, highways and the development of natural resources are very great. To the degree that we are to have Socialism by means of taxation it should be purely a national affair in order that any inequalities between the people in the different provinces may be avoided.

The solution of the tax problems of the municipalities and the provinces is not to be found in giving them larger taxing powers. In fact, the confusion and extra expense involved in duplicate taxation are already actually working against the national economic interest. The municipalities and provinces have gone too far and should now retire from many of the fields they have entered, living within the more modest incomes they enjoyed in earlier days. The basis of municipal taxation should be the property tax, and a reasonable property tax based on a fair proportion of the earning power of the property. The provinces should rely upon two or three simple forms of revenue, such as that from natural resources, the gasoline tax to pay for the highways and others—amusement taxes, liquor profits, etc.—which have been by policy or default allotted to them. Beyond such a fairly simple framework of local taxation any additional levies should be imposed chiefly under the direction of the Dominion which must assume whatever burden public opinion demands of it in connection with the extension of social legislation and services in Canada.

The present conflict of aims and ambitions in the social service field is leading the Canadian provinces and municipalities directly into insolvency. Many of them have already achieved that unhappy condition.

REVISE CALCULATIONS OF YOUR ESTATE

WHAT will your own income be when you retire? What would your family's income be if you were to die?

Most men take the capital value of their savings or their estate and estimate a five per cent yield. That to them will be the income.

But Dominion bonds sell at around 3½ per cent. All other interest returns have fallen. To count on a safe five per cent is unwise.

The man with investments and insurance totalling $100,000 can no longer assume that his family will have $5,000 a year to live on. It is likely to be nearer to $3,500 or $4,000.

MAKE GOVERNMENTAL BUREAUS SELF-SUPPORTING

THE Ontario Government has increased license fees on brokers and investment salesmen in order to make the Securities Commission of the province self-supporting. This is sound practice.

It cannot be said that the Securities Commission exists solely to protect the investment houses and stock brokerage firms of the province. Primarily, its function is to serve the public and it would be proper to have a portion of the cost come out of the general taxes. But the immediate value to the honest and established houses of having their field of service protected from the encroachment of crooks is so important that they should be willing to pay the entire cost of supervision.

There are many more governmental bureaus and departments that should be made entirely self-supporting.

Unfortunately, not many of the provinces so establish their accounts that it is possible to determine the financial results of any one department, without a great deal of effort. There should be more of such offices whose accounts are separated from the so-called consolidated revenue funds.

The most momentous move of this character would be the establishment of a highway trust fund into which would be paid by each province all of its revenues from motor vehicle taxes and gasoline taxes, and out of which would be paid cost of maintenance of highways and interest and sinking fund on highway debts.

WAGE-EARNER ASPIRATIONS

MATTERS of policy affecting millions of British wage-earners were discussed recently at the annual meeting of the Trades Union Congress at Weymouth, England. This meeting is becoming of increasing importance year by year in the industrial and political life of Great Britain.

Chief result of the 1934 deliberations as far as its "socialistic" tendencies are concerned was the adoption of a plan for the nationalization of the iron and steel industry. Apart from that, the meeting, according to the British Economist was remarkable chiefly for its "cautious reaffirmation of the principle of gradualism."

Summarizing the deliberations the Economist says:

"Apart from rather superficial aberrations of this kind, the general impression left by the Congress is certainly encouraging. It shows that the trade unions, which form after all the bulk of the Labor movement, are increasingly alive to their responsibilities, national and international, and there is every reason to hope and to believe that the Weymouth meeting will exercise a steadying influence on the councils of the Labor Party.

"The Conference was true to type and reflected beyond any dubiety the sound common sense—decked out, according to tradition, with a few favorite dogmas and served up with a little high falutin'—of the British working class. Talk of workers' control, representation on Central Management Boards and the like was used without very much conviction, for the Conference delegates were well aware of the deep gulf that yawns between a resolution and a policy.

"At the same time it would be a mistake to brush aside altogether these 'hardy annuals' as of no significance. They show in what direction the workers' aspirations lie, and if democracy is to win through, it is with these aspirations that the community must sooner or later come to terms."

Those who are closely in touch with current developments in this country will appreciate the significance of this last sentence. It is clearly the viewpoint behind much of the so-called "code" legislation, receiving so much publicity at the present time. It is the philosophy behind the mass of social legislation now in force or being developed by our various provinces and which has done much to maintain industrial equilibrium during the difficult post-war years.

That the next decade will see even greater strides toward the achievement of these "workers' aspirations," few will deny. The task for Canada is to see that these changes take place without sacrificing individual initiative and the traditional independence and self-reliance of Canadian citizens.

EDITORIAL NOTES

The South African trade commissioner who recently visited Saskatchewan was surprised to find the province flat. Most recent visitors have been surprised to find the province not as flat on its back as they had expected.

Post-Scripts

SOMETHING new in installment selling as it is practised by one trader on the Gold Coast of Africa, is reported in the current issue of Sales Management.

At a small trading post in an interior village, it is reported, the trader removes the winding keys from some alarm clocks. He gives the clocks to the natives upon the payment of a small initial capital deposit. Then the natives continue payment on bringing the clock back to the trader to be wound.

When the clock is entirely paid for the natives become the possessors of the keys.

* * *

THERE was one farmer in Western Canada this year who grew a big crop. But no one made any money out of it.

An agent for one of the communist farm organizations got in touch with this farmer, a simple-minded foreigner. The agent assured him that Communism was just around the corner; that soon there would be no debts and no mortgages. He adjured the farmer to do nothing to delay the dawn; to pay nothing on account of his mortgage as that would simply give the capitalists a few more dollars to use in the battle for survival.

The farmer was enthusiastic but puzzled. He was afraid that if he had a good crop the mortgage company might force him to pay his interest. So he decided to make absolutely certain that there would be no crop to pay the interest. He sent his children out into the highways to pick weed seeds; these he planted. They grew rapidly and luxuriantly over his entire farm.

When the inspector for the mortgage company arrived he was appalled by the sight. Immediately he made arrangements to foreclose on the farm and to plow in the weeds. Tractors with specially constructed attachments were set to work. It cost a thousand dollars just to plow in the weeds.

Some reader will see a flaw in this story. He will say to himself that there are laws against permitting obnoxious weeds to grow, much less to sow them. He will say to himself that the Royal Canadian Mounted Police, who now patrol the prairies, would not permit such agricultural sabotage to go unpunished. They would jail the farmer.

Let the reader not be too hasty. The incident was reported to us by the mortgage company and, up to the time we received our last report on it, no one had been punished.

Sayings of the Week

"People ought to pay as they go."—*Walter B. Pitkin.*

* * *

"Leisure can be a blessing or a curse."—*August Heckscher.*

* * *

"Every government needs intelligent criticism."—*Alfred P. Sloan.*

* * *

"I vary my manner of speaking according to my audience."—*Herr Hitler.*

* * *

"England is now the best-dressed nation in the world."—*Sir Francis Joseph.*

* * *

"Make up your mind what you can do and want to do, and go after it."—*Owen D. Young.*

* * *

"If I were young again—I wish I were—I'd start out just as I did and build up."—*Charles M. Schwab.*

* * *

"No belief should be so firmly held as to lead to persecution of those who reject it."—*Bertrand Russell.*

* * *

"Business should be treated as an individual is treated—no better, no worse."—*Lammot du Pont.*

* * *

"Smoke-laden fog injures tree growth for 100 miles round industrial areas."—*Sir John Stirling-Maxwell.*

* * *

"In order to govern, one must have experience, coolness, clear vision, patience, serenity." —*Guglielmo Ferrero.*

* * *

"The Canadian is a virile type, extremely industrious, fond of action, and not without sentiment."—*W. Valentine Heayberd, R.N.R.*

* * *

"Moreover, our good manners of today are of greater intrinsic worth than the good manners of twenty years ago."—*Earl of Cottenham.*

* * *

"One cannot be a good citizen without education — that means more than the ability to read and write."—*Mrs. Franklin D. Roosevelt.*

* * *

"Many of us would never have given our lives to journalism if we had thought that our task was merely to cater to sensation or scandal.—*H. J. Whittick.*

* * *

"The family farm, despite all the hard toil that it involves, is able largely to satisfy the human desire to be independent and self-supporting.—*Prof. W. G. A. Adams.*

* * *

"It is better to make mistakes, as I feel the United States is doing in some cases, than to sleep and do nothing."—*Etienne Flandin, French Minister of Public Works.*

* * *

"Successful planning necessitates the accurate prediction of demand and implies an undertaking, on the part of producers, to deliver the quantity of goods required."—*Prof. J. A. S. Watson.*

* * *

"The Soviet system of law and administration in regard to religion is the most thorough-going and efficacious engine of persecution that has existed since the great days of the Spanish Inquisition."—*Lord Charnwood.*

* * *

"Large-scale industry must accept not only as a duty but also in its own self-interest, the obligation to pay not merely a living but a comfort wage."—*Alfred P. Sloan Jr., President General Motors.*

* * *

"It should be possible to agree on some gradual changes in men's clothes, so that a man wearing a suit several years out of date would be made to look so ridiculous that he would have difficulty in persuading any self-respecting woman to walk down the street with him."—*Stanley Johnson.*

* * *

"The way to recovery is not by discarding labor saving equipment but by wider use of such equipment to increase the efficiency of the individual and result in lower cost of production and lower prices for commodities which can, therefore, be more freely exchanged and thus create employment for more people."—*T. A. Russell, pres. Massey-Harris Co.*

The World at Large

Murder in Marseilles

Barthou's Plan to Check Hitler Upset By Double Assassination

By JOHN A. STEVENSON

The nerves of the Chancelleries of Europe have been badly shaken by the double assassination at Marseilles on Oct 8, when King Alexander of Jugoslavia and M. Barthou, the Foreign Minister of France, were shot dead by one Petvus Kalemen, said to be a native of Croatia. M. Barthou, however, seems to have been only an accidental victim and King Alexander the real target.

Alexander, since his death, has been the subject of a great deal of laudation, but undoubtedly he paid the penalty for notorious cruelties practised under the dictatorship which he had established. For months past such of the leaders of the parties of the Left in Jugoslavia, as have not gone into voluntary exile, have been languishing in prisons and not a few of them have been subjected to fiendish tortures by the minions of the dictatorship. Louis Adamic, an American writer who was born in Slovenia, turned the searchlight effectively upon the realities of the present régime in Jugoslavia in his interesting book, "The Return of the Native," and correspondents of foreign papers have told a similar grim story.

In Constant Peril

Now it is an invariable rule that once the oppressions and cruelties of a dictator go beyond a certain point, the victims of them become desperate, and when they reach the conclusion that assassination is the only remedy left, there are never lacking fanatics who will risk their own lives to remove a king or statesman whom they detest. Dictators live in constant peril of their lives, and there will be more political murders in Europe before stability is attained.

But undoubtedly the murder of King Alexander and Barthou cannot fail to have certain political repercussions. M. Barthou was a veteran politician of great experience and considerable sagacity, and since he assumed the portfolio of foreign affairs, had contrived to infuse new vigor into French foreign policy. He was one of the prime architects of the projected eastern Locarno pact, whose objective was the establishment of a collective system of security in eastern Europe, embracing Russia, Poland, Germany, the little Baltic states, and Czechoslovakia. This scheme had virtually collapsed, through the refusal of both Germany and Poland to participate in it, and thereupon M. Barthou, a resourceful statesman, whose fundamental aim was to construct bulwarks against the menace of Hitlerite Germany, had turned his attention to southeastern Europe He had already achieved a very considerable improvement in the relations between France and Italy, and had in mind the construction, as a substitute for the abortive eastern Locarno pact, of another security pact which would include Italy, Jugoslavia, and the other two countries of the Little Entente—Czechoslovakia and Roumania. But unfortunately at this juncture there flared up the enmity between Italy and Jugoslavia which had its origin in Jugoslavian grievances about the boundary settlement of the Treaty of Versailles, and particularly the allocation of the port of Fiume to Italy.

When Mussolini intimated that Italy would assume responsibility for preserving the independence of Austria, the Jugoslavian government at once declared that the question of Austrian independence was one to be decided not by Italian arms but by the League of Nations, and forthwith there followed a bout of bitter recriminations between the Italian and Jugoslavian press. At the same time there were clear indications of a tendency on the part of Jugoslavia to move toward a rapprochement with Germany. A notably warm welcome was accorded to emissaries from the Hitler Government, and Austrian Nazis who had been expelled from their own country were afforded hospitality and not prevented from carrying on their plotting activities against the Austrian Government. The apologists of the Jugoslavian Government maintained that the rapprochement had only commercial objectives, and that Germany was being cultivated merely because in her urgent need for raw materials she promised to be a good customer for certain mineral and other products of Jugoslavia. But ever since the war Jugoslavia had been such a faithful satellite of France that the French Government naturally became alarmed at this new disposition to take her own initiative in foreign policy and veer into the orbit of Germany. British opinion also disliked the prospect of Hitler securing a useful ally in southeastern Europe.

Purpose in Visit

So M. Barthou had conceived the idea of inviting King Alexander to pay a state visit to France and inducing him, under the influence of generous hospitality which the French know so well how to administer, to reach an accommodation with Italy and help to build a security pact for southeastern Europe, which would ensure Austria's independence and check Hitlerite designs.

Now with the death of the two key figures in this political manoeuvre its prospects of success have more or less collapsed. But apparently there is also considerable dismay in Berlin where the Hitler Government seems to have regarded King Alexander as a certain ally and to have counted upon the impossibility of any concordant between Italy and Jugoslavia being attained. The loss of Alexander, who was at least a man of vigor and initiative, will undoubtedly cause serious internal strains in Jugoslavia, and an uprising of the discontented elements in Croatia is far from improbable. But the net result will be a weakening of Jugoslavian influence and power and consequently there will be less disposition to throw in the country's lot with Germany, a power whose economic embarrassments and political difficulties increase every week. So once the present furore has died down, it will probably be found that the present fears of an aftermath similar to the consequences of the murder of Archduke Ferdinand at Sarajevo in July, 1914, are unfounded. War nowadays means the arming of the whole nations, and the best guarantee of peace in Europe is the fact that most of the dictatorial governments of Europe are afraid to put arms in the hands of their working classes lest they be turned against themselves.

The situation has also been eased by the timely action of Mussolini in halting the provocative outbursts of the Italian press.

Other People's Views

Mussolini's Jealousy

Boston Transcript

The condition of all the quintuplets is reported as fine. Mussolini's jealousy of Canada remains unimproved, however.

Mr. Solloway at Bat

Alberta Labor News

Possibly the most interesting political news of the past couple of weeks was the visit of Mr. I. W. C. Solloway to Calgary and his interview with a Calgary newspaper. Mr. Solloway is here, he said, with propaganda to bring about the defeat of the present Alberta government, because of its policy in connection with oil development. Of course that would be the reason. The fact that the government of Alberta had the courage to institute the legal proceedings against Mr. Solloway's firm which resulted in his conviction, fine and imprisonment for wholesale conspiracy to defraud his clients, would have nothing whatever to do with his announced intention to "get" the government!

Unemployment Solution?

Halifax Herald

If it were possible, all would welcome the turning of relief into some useful work. Direct relief is an expense without any return, and therefore a dead loss. But it is a large and difficult problem.

Has establishment of families on the land really been given the consideration it merits? It would be a permanent productive expenditure, calculated to bring the country finally out of the crisis by making people able to take care of themselves, and, within a few years provide themselves with an independent future.

For more and more the land appears as the great salvation of our unemployed people. The situation—and its urgency— calls for measures that will be both wise and durable.

Working More Slowly

Canadian Grocer

It will be some time yet before anything very concrete will evolve from the work of the Price Spreads Commission.

One thing accomplished by delay is an opportunity to benefit by the experience of the United States. There the action to adopt business regulation was more prompt and farreaching. The N.R.A. programme was thrust upon the country by a government faced with the necessity of quick action, and an attempt was later made to "sell" the people on the idea that it was to their advantage. The next step was the withdrawal of those parts of the programme which have proved unworkable, or unduly onerous.

In Canada, one the other hand, the situation has not called for action of an equally urgent nature, though some unusual conditions have been revealed in much of the evidence brought before the Stevens Committee and something will undoubtedly be done about it. Canada has followed the policy of showing the public the allegedly bad conditions which exist and "selling" the people on the idea that something is necessary, before remedial measures are applied. Whatever is done in this country should, therefore, prove less disturbing than has been the action in the United States.

The French Situation

The Economist, London

Thus the French situation—in spite of the inherent solidarity of all branches of the nation's economy—may perhaps be summarized as follows: aggravated depression in industry, trade and, probably, consumption; decline in prices; stability in agriculture; and a real, but not final, improvement in public finance. If it be recalled that in France anxiety about monetary stability has, up to the present, been mainly due to the threat of inflation for the purpose of covering the Budget deficit, it is easy to understand why the deflation policy has as yet met with so few obstacles, in spite of illogical protection measures, which make price adjustments so much more painful. Surprising as it may appear, the decline in prices—as long as industrial prices only are concerned—is not considered a national calamity, but an advantage.

"Stop Me If You Have Heard This One"

Recent protests by the better class of Chicago citizens over the wave of crime stimulated by legal liquor, recall the visit to that city of John Burns, British labor leader. While making a speech at a labor mass meeting, a man in the audience got up and introduced himself as the chief of police.

"You are quoted in the newspapers as saying that Chicago is a pocket edition of hell," the chief accused him. "If you made that remark, you must withdraw it or you cannot continue your speech."

Mr. Burns was not dismayed in the least. "If that is what the papers said," he replied to the chief, "I have not been correctly quoted. What I said was, that hell is a pocket edition of Chicago."

After the laughter had subsided there were no further interruptions.

Individual Investment Requirements

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Business Conditions in Canada

The Week in Business

Business Exceeds Estimates

ALTHOUGH September production statistics for almost all industrial activities are not yet available in Canada, a survey of business activity in the Dominion during the third quarter of the year, based on reports from the wholesale and retail trade, indicates that estimates placed on business at the beginning of the period have been exceeded in many instances, according to Dun & Bradstreet, Inc. It is felt that expanding mining activity and an increase in gross farm incomes—due to higher prices rather than heavier yields—are chiefly responsible for this increase.

In the industrial division, however, operations in many centres failed to equal the levels that had been set. One of the most encouraging developments during the past month has been the sudden revival of building activity in many provinces, with new work running in excess of alterations and repairs. Real estate markets are reported as again showing signs of life, farm lands are changing hands, and vacancies in rental properties are lowest in three years in many residential and business districts.

* * *

New Washington Plans

AS THE fourth quarter of the year opens in the United States, an important change has taken place in the type of leadership being provided by Washington. The planned economy programme of the administration is no more. "Reform" which was placed first in early attempts to increase employment and relieve depressed conditions has given place to "Production." The President is assuring business men that there will be no attempt to depart from the system of private ownership and private profit. He is strenuously urging business to go ahead without fear.

This change in tactics by the President has brought forth congratulatory comments in publications which have been, from the first, strong opponents of most of the plans under the New Deal. For example, Mark Sullivan, writing in the New York Herald Tribune, states, in part:

"The administration is engaged in an earnest programme designed to encourage business, give confidence to business men and bring about greater activity and volume of business. The method is not one of ballyhoo; it is as far as possible from anything like a 'drive.' It is an intelligent, earnest and good faith attempt to cause business men to see that the conditions making for better business are in existence and to give business men confidence to go on."

* * *

The Debunker

HOW accurate are the generally recognized indicators of business?

The question is prompted by the discovery that machine tool sales, popularly regarded as an almost infallible indicator of future business volume, are unreliable in this regard, particularly in forecasting an upturn of business from depression lows. This, it is explained in the current issue of the Annalist, New York, is accounted for by the fact that in time of business stress, search for mechanical means of reducing operating costs causes a jump in sales of machine tools, which does not necessarily portend an increase in industrial production.

New Industries and Plant Extensions in Canada

Compiled Weekly
By The Financial Post

Labatt Brewery Company is making additions to its London, Ont., plant.

Western Vinegars, Winnipeg, has let a contract for a new addition to its plant at a cost of $50,000, according to the Winnipeg Free Press.

National Breweries Ltd., Hull, Que., has let a contract for an addition of a cooling plant at a cost of $15,000, according to the Ottawa Evening Journal.

Corona Velvets Ltd., Drummondville, Que., is erecting a plant with a capacity of 50 looms for the manufacture of dress velvets, according to the Montreal Herald. The plant will be under the direction of A. M. Durand. John Cowling is sales director.

The following new industrial developments are reported by the Toronto Industrial Commission:

Stein-Hall, Ltd., recently incorporated Canadian subsidiary of Stein-Hall & Co., Inc., of New York, makers of starch products, will shortly commence the manufacture of these products in Toronto. Allan R. McCleary, of Toronto, will be managing director in charge of the new plant.

Cardinal Chemical Corp. Ltd., a newly incorporated company, has taken over the business and equipment of the W. R Hill Chemical Co., of Aurora, Ont., and will manufacture germicides and other chemical products in Toronto.

Government, Municipal and Corporation Bonds

List of offerings, or current quotations on any issues, furnished promptly on request.

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STEADY DEMAND FOR NEW TRUCKS SEEN IN ONTARIO

Canadian Sales This Year More Than Twice 1933 Total

FORD'S BIG GAIN

Chevrolet and Ford Between Them Take 67 Per Cent of Market But Others Show Good Gains

Demand for commercial vehicles in Ontario has continued into the autumn months, The Financial Post learns, dealers in some parts complaining that they are unable to obtain models to fill their requirements. Already this year sales in Canada have doubled the totals for the corresponding periods of 1933 and 1932 and the total for the year may equal that of 1930. Further, in contrast with the past few years, dealers' showrooms are almost bare of cars.

Not only has the domestic market been active but production for export has shown a similar increase over 1933 and is four times as great as in the same period of 1932. Total factory production for 1934 will, therefore, be greater than any year since 1930 and, dependent on the export market during the last four months of 1934, may even exceed the total for that year.

Total production of commercial cars in the first eight months of 1934 was 20,286 as compared with 7,781 in the corresponding period of last year. Exports during the eight months have totalled 8,955 units as compared with 4,575 in the whole of 1933 and 2,734 in 1932.

Although no figures for all Canada are available showing the makes of cars which are benefitting most from this increased market, such statistics are available for eastern Canada through a compilation of Might's Directories, published in Bus and Truck Transport, Toronto.

Ford's Big Increase

Chevrolet and Ford are the leading makes sold in Eastern Canada, these two makes accounting for approximately 5,000, or 67 per cent of the 7,430 sales recorded in Eastern Canada in the first eight months of the year. In the same period of last year, these two makes accounted for 65 per cent of total sales. Ford, however, has shown greater progress than Chevrolet, sales of the former having increased 160 per cent as compared with an increase of 100 per cent for Chevrolet.

Dodge, International and G.M.C. are the next ranking makes in total sales for the period, the increase in Dodge sales being over 200 per cent. The greatest increase in sales over last year is recorded by the White truck, the total of 108 for this year being almost ten times that of 1933. Sales of leading makes of trucks in the first eight months of this year are shown in the following table:

Commercial Car Sales in East Canada
(8 Months Ended August)

Leading Makes	1934 No.	1933 No.
Chevrolet	2,670	1,326
Ford	2,316	895
Dodge	.813	255
International	523	283
G. M. C.	385	262
Reo	182	69
Diamond T	160	61
White	106	11

Commodity Prices

PRESIDENT Roosevelt's assurances that there will be no further inflationary moves made by the administration in the near future caused most commodities to react in United States at the beginning of this week. It would appear that there has been a considerable speculative element in recent buying in the hope of further inflation.

While the president has assured business that there will be no early tampering with currency, he has reserved the right to change the gold content of the dollar at some future date.

	Latest week	Previous week	Same week last yr.
Cattle, cwt.	$6.00	$6.00	$5.00
Copper, lb.	.09	.09	.08
Cotton, lb.	.1225	.1240	.0940
Rubber, lb.	.1443	.1380	.0753
Sugar, raw, lb.	.0293	.0302	.0337
Silk, lb.	1.20	1.20	1.62½
Wheat (Man.) bu.	.79¾	.75⅝	.54⅞
Coffee, lb.	.09⅝	.09½	.07⅝
Hogs	8.40	7.90	6.35
Weekly Indices			
N. Y. Annalist	116.6	117.5	107.2
Fishers'	79.1	79.7	†63.6
N. Y. Journal of Comm.	76.8	76.3	71.4
Crumps (Brit.)	64.0	64.4	†63.4
U. S. Labor	76.6	77.2	71.3
Canada (D.B.S.)	71.2	71.7	...

† Average, 1933.

Monthly Indices

	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.)			
Retail (August)	78.7	78.4	78.3
W'sale (August)	72.3	72.0	69.5
U. S. Labor (Aug.)	76.4	74.8	69.5
Gt. Brit. (July)	69.8	69.9	69.0

Note: Indices on all base 1926 = 100, except N. Y. Annalist which is 1913 = 100. British index is Board of Trade converted to 1926 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15. New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W. Pt. A. basis: hides—heavy native steers; coffee—Rio No. 7, spot, New York; hogs—select bacons, Toronto.

Lull in Recovery Seen As World Awaits Outcome Of United States Plans

Hope That Returning Confidence in U.S.A. Will Ease Economic Recovery and Mean Greater Co-operation, Seen by League of Nations Review

TROUBLES OF GOVERNMENT INTERVENTION

Industrial Indices Show Chief Gains, With Canada Prominent in This Regard — Gain in Volume of World Trade Continued During First Half of 1934 Although Increase Slightly Reduced

Uncertainty as to the outcome of government policy in the United States is seen as one of the most important causes of the lull in the improvement in world economic conditions noted in the middle of 1934, in the newly-published World Economic Survey of the League of Nations. In the summer of 1934, the survey states, "there was a general disposition to await the evolution of events in the United States during the autumn and early winter in the hope that returning confidence would render easier the restoration of more stable economic conditions and a greater degree of international economic co-operation throughout the world."

Recovery which took place during 1933 and the early months of 1934 was the result chiefly of alleviation of domestic conditions as ways and means were found of carrying on business despite the pressure of unadjusted international difficulties, it is pointed out. None of the many maladjustments which had appeared during the depression were greatly eased. There was little advance toward any of the "grand remedies" which had been advocated. Prices were not raised, international trade remained subject to many restrictions, exchange instability persisted, international debts remained in large part suspended and international investment was not resumed on any great scale.

Farming Countries Gain

In the improvement that has taken place, the survey considers that agricultural countries have been the chief gainers. With the improvement in prices of foodstuffs and raw materials, there has been a noticeable improvement in the barter terms of trade in most of the agricultural countries. Higher export prices, relative to import prices, have enabled these countries to extend their import purchases, it is pointed out.

The part played by currency depreciation in the relative advantages gained by certain countries is mentioned in the survey. Depreciation of the dollar in the second quarter of 1933 is shown to have had a disturbing effect on the economy of many other countries.

Governments Cause Uncertainty

A situation, full of uncertainty, has developed for industry as a result of government intervention in questions of wages, prices and destructive competition, it is stated. The long-term outlook is therefore also filled with uncertainty until the effects of this intervention can be determined. In this regard, the survey states, in part, as follows:

"In the spring of 1934, it was reasonably clear that the short-run forces of the business cycle were making for recovery; but that the longer-run forces, typified by governmental policies for the direction and control of industry and trade, were still in process of determination. In past depressions, after a fairly long and painful period of reconstruction and stabilization, business enterprise could count upon renewed opportunities of profit under much the same conditions as existed before the depression began. At the present time, for good or ill, business enterprise emerges from its readjustments to find a very different situation confronting it.

Labor Being Recognized

"On the one hand, there is the uncertainty regarding the future course of exchanges, with all the resultant trade restrictions. On the other hand, positive government policies of regulation and control, however justified they may eventually prove to be, render the outlook for recovery more doubtful. Laissez-faire, private enterprise and other slogans of the 19th century are unpopular. In their place, such economic conceptions as a just price, fair wages, destructive competition, balanced trade—all curiously reminiscent of medieval economic controversies—indicate a changed economic environment."

As far as government intervention in industry affects conditions of labor, the survey sees this trend as a widespread one, extending even to countries where such legislation would hardly have been practicable a few years ago. While there remain vast differences in the standards laid down as between different countries, the steady progress toward bringing labor conditions under control and toward international collaboration, is seen as a development of the greatest significance.

Canada Prominent

Most of the recovery which took place during 1933 resulted from increased activity in industrial production, the survey shows. While world production of foodstuffs and agricultural raw materials has remained practically stationary throughout the depression and through to the middle of 1934, industrial activity and the production of non-agricultural raw materials showed considerable gains in 1933 after declines in the two previous years.

In this improvement in industrial production, Canada played an important part. The following table shows the increase in industrial production in a group of leading world countries, based on indices at June, 1932, 1933 and 1934.

Increase in Industrial Production in Certain Countries
(Base, 1928 = 100)

	June Index Numbers 1934	1933	1932	Per cent Change 1933-34 %	1932-34 %
Germany	88.3	69.5	60.7	+27.3	+45.8
Canada	80.8	67.1	65.3	+20.4	+23.7
Japan	143.5	126.0	108.9	+13.9	+31.7
United Kingdom	104.0	91.7	89.4	+13.4	+16.2
Italy	85.7	79.1	62.7	+8.3	+36.7
Chile	125.6	117.5	105.1	+6.9	+19.5
United States	75.5	82.9	53.2	—10.5	+41.8
France	78.0	87.4	73.2	—10.8	+6.6

Trade Gains Slightly

Trade restrictions, imposed by all the leading world countries, are seen as a definite barrier to further recovery even though the recovery that has taken place has tended to remove some of the most drastic restrictions which have been attempted to safeguard national production and standards of living. The trend of commercial policy during 1933, however, showed a further withdrawal from international co-operation. It has been argued, in certain quarters, that the route back to economic internationalism is through a period of strict nationalism during which domestic problems can be adjusted to changing conditions. Whether this paradox be true or not, the national route to recovery is the one being followed.

The volume of world trade has continued to increase during the four quarters ended June, 1934, according to the calculations of the League of Nations Economic Intelligence Service, the increase during the last two quarters being slightly less than in the previous ones. This is explained by the fact that trade in raw materials has shown the chief gain and this trade is largely conducted during the latter half of the year.

Gold Value Lower

While the quantum of trade has been increasing to a slight extent, the gold value continues to decline, although the percentage decline has been small during the past four quarters. Quantum and value of world trade are shown in the following table:

Quantum and Value of World Trade
(Base, 1929 = 100)

Quarters:		Quantum	% Change*	Gold Value	% Change*
1932:	(1)	76.2	—9.8	41.9	—33.0
	(2)	73.0	—13.6	39.8	—33.7
	(3)	67.9	—17.3	35.3	—36.7
	(4)	78.4	—13.4	39.2	—25.3
1933:	(1)	72.9	—4.3	35.0	—16.5
	(2)	71.8	—1.6	34.1	—14.3
	(3)	74.6	+9.9	34.7	—1.7
	(4)	80.2	+2.3	36.9	—5.9
1934:	(1)	74.5	+2.2	33.9	—3.1
	(2)	74.6	+3.9	33.2	—2.6

*From corresponding quarter of previous year.

Commodity Stocks Reduced

Considerable attention was devoted in 1933 to the restriction of production of many leading commodities, world stocks of which had reached gigantic proportions. These restriction attempts met with varied results but the net effect—partly, of course, as a result of some slight improvement in consumption, demand—is seen in a 6 per cent decline in world commodity stocks in 1933 from the previous year.

Although the trend in world stocks was downward in 1933 and in the early months of 1934, there was increased accumulation of silk, rubber, lead, silver, and tea. In each case but that of lead, this accumulation continued into the early months of 1934 but latest figures show some tendency to fall. Monthly figures also indicate substantial reductions in stocks of wheat, tin, tea and cotton since April, 1934.

The survey is published by Economic Intelligence Service of the League of Nations. 365 pages. Price in paper 6/-; cloth 7/6.

Business Briefs

Car Loadings in the week ended Oct. 6 numbered 53,050 as compared with 50,547 in the previous week and 53,198 in the corresponding week a year ago. The adjusted index number rose from 65.72 to 68.98.

Failures in the week ended Oct. 6 numbered 26 as compared with 30 in the corresponding week a year ago. Failures to date number 1,106 as compared with 1,721 in the same period of 1933, a decrease of 35.6 per cent.

Canadian Business Indicators

Compiled by The Financial Post

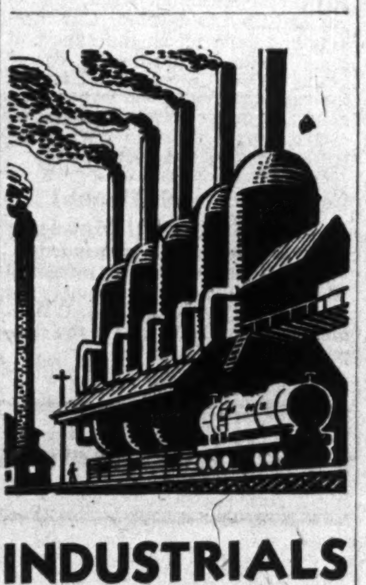
▲Denotes new figures this week.

WEEKLY DATA	Latest 1934	Latest 1933	Cumulative Total Jan. 1 to date 1934	Cumulative Total Jan. 1 to date 1933
Transportation—				
Car loadings (Oct. 6)	▲53,050	53,198	1,752,146	1,504,620
C.P.R. gross earn. (Oct. 7)	$ ▲2,605,000	$ 2,789,000	$ 93,504,000	$ 82,930,000
C.N.R. gross earn. (Oct. 7)	$ ▲3,326,046	$ 3,293,025	$ 125,147,748	$ 107,102,724
Business Conditions—				
Weekly index D.B.S. (Oct. 6)	▲94.1	85.2	......	......
Business failures (No.) (Oct. 6)	▲26	30	1,106	1,721
MONTHLY DATA				
Business Conditions—				
Financial Post index (Aug.)*	98.4	88.7	......	......
Transportation—				
C.P.R. net earnings (Aug.)	$ 1,070,633	$ 738,601	$ 10,636,527	$ 6,968,122
C.N.R. net revenue (Aug.)	$ 65,276	$ 1,007,031	$ 5,132,261	$ ‡1,151,485
Iron and Steel (August)—				
Pig iron production (tons)	41,485	35,233	236,071	103,132
Steel ingot prod. (tons)	63,504	48,659	527,673	228,199
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (August)	4,000	3,355	53,220	33,451
Factory output (August)	9,904	6,079	103,102	50,881
Trucks and Buses:				
Domestic sales* (August)	1,192	553	8,867	4,056
Factory output (August)	2,579	1,160	20,286	7,781
Exports (August)	4,971	1,919	36,477	12,598
Construction—				
Building permits (August)	$ 3,273,889	$ 1,910,809	$ 16,775,616	$ 14,407,111
Contracts awarded (Sept.)	$ 12,494,000	$ 8,386,000	$ 98,145,100	$ 63,430,700
Newsprint (tons)—				
Production (August)	216,164	194,262	1,688,036	1,269,136
Exports (August)	183,829	165,880	1,537,127	1,140,419
Sugar (lbs.)—				
Melting & shipments§	91,063,904	63,270,428	513,191,653	495,720,370
Manufactured§	88,679,472	60,377,719	500,128,185	485,758,000
Flour (bbls.)—				
Production (August)	1,282,214	1,443,692	8,955,632	9,006,996
Wheat flour exports (Sept.)	▲369,320	552,556	3,723,048	4,090,27[illegible]
Trade (September)—				
Imports	$ ▲41,941,203	$ 38,698,416	$ 376,972,203	$ 281,064,416
Exports	$ ▲58,135,136	$ 57,784,804	$ 459,164,136	$ 359,947,802
Wheat exports (bush.)	▲17,588,359	19,666,351	$ 109,999,305	$ 128,061,430
Employment (Sept. 1) D.B.S. Index—				
All industries	94.6	88.5	......	.....
Manufacturing	91.9	86.8	......	......
Electric Power Output (August)—				
Total monthly (000's omitted)	1,658,742	1,508,216	13,651,531	11,035,824
Aver. daily	53,508,000	48,652,000	....	....
Other Industrial Indices—				
Lumbering:				
Plank & board exports mill (August)	135,135	128,459	900,790	501,816
Boot & shoe prod., pr. (Aug.)	▲1,886,183	2,237,179	12,515,146	13,035,938
Crude petrol. imp. gal. (Aug.)	129,613,000	116,312,000	674,786,292	497,849,889
Cotton imports, lbs. (Aug.)	8,535,000	10,584,000	86,439,000	61,140,000
Raw rubber imp., lbs. (Aug.)	4,363,000	4,022,000	40,786,087	22,770,876
Coal imports, tons (Aug.)	1,462,469	1,299,750	8,209,179	6,470,738
Finance—				
Bank debits† (August)	$ 2,533,000	$ 2,648,513	$ 20,744,000	$ 19,371,809
Bond sales (September)	$ ▲17,065,600	$ 777,099	$ 325,832,572	$ 299,292,551
Life insurance sales (Aug.)	$ 26,659,000	$ 30,846,000	$ 249,351,000	$ 255,609,000
Automobile Financing—				
Used cars (August)	$ 1,369,232	$ 902,444	$ 10,094,624	$ 7,726,844
New cars (August)	$ 1,496,558	$ 908,390	$ 13,046,909	$ 7,736,495

†000's omitted. ‡Deficit. §For 4 weeks to September 8.
*D.B.S. All-Canada figure comprising over 90% of the Canadian total. *Final.

Sea Fish Catch Shows Big Increase

Catch of sea fish on both coasts of the Dominion for the month of August 1934, totalled 151,622,900 pounds with a value to the fishermen of $2,385,896. In the same period of the preceding year the landings were 109,662,100 pounds with a landed value of $1,934,258. The increase in catch amounts to 41,960,800 pounds and in value to $451,638.



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August Failures Total Smallest Since 1922

Commercial failures in August were the smallest on record for any month since 1922, and estimated liabilities of assignors were also the lowest for the same period. Assignments under the Bankruptcy and Winding Up Acts, as reported to the Dominion Bureau of Statistics, numbered 103 in August as compared with 150 in August, 1933, and 122 in July, 1934.

Estimated liabilities of assignors were also sharply lower than last year or in July, the total for August, 1934, being $1,360,690 as compared with $2,357,510 in August, 1933, and $1,807,700 in July.

Cumulative total of commercial failures in the first eight months of the year was 1,046 as compared with 1,431 in the same period of 1933. Liabilities were $16,186,000 as compared with $24,003,000.

Bacon and Ham Exports Almost Doubled This Year

The export of bacon and hams to the United Kingdom during the first nine months of 1934 amounted to 93,769,000 pounds compared with 51,528,000 in 1933 and 24,686,000 in 1932.

However the September export of 5,223,000 pounds was 2½ millions less than September 1933 and was the smallest export of that commodity to Great Britain for over a year. It is also the first time for some years that the monthly export has been less than that of the corresponding month in the previous year. Last March the export had risen to over 16 million pounds.

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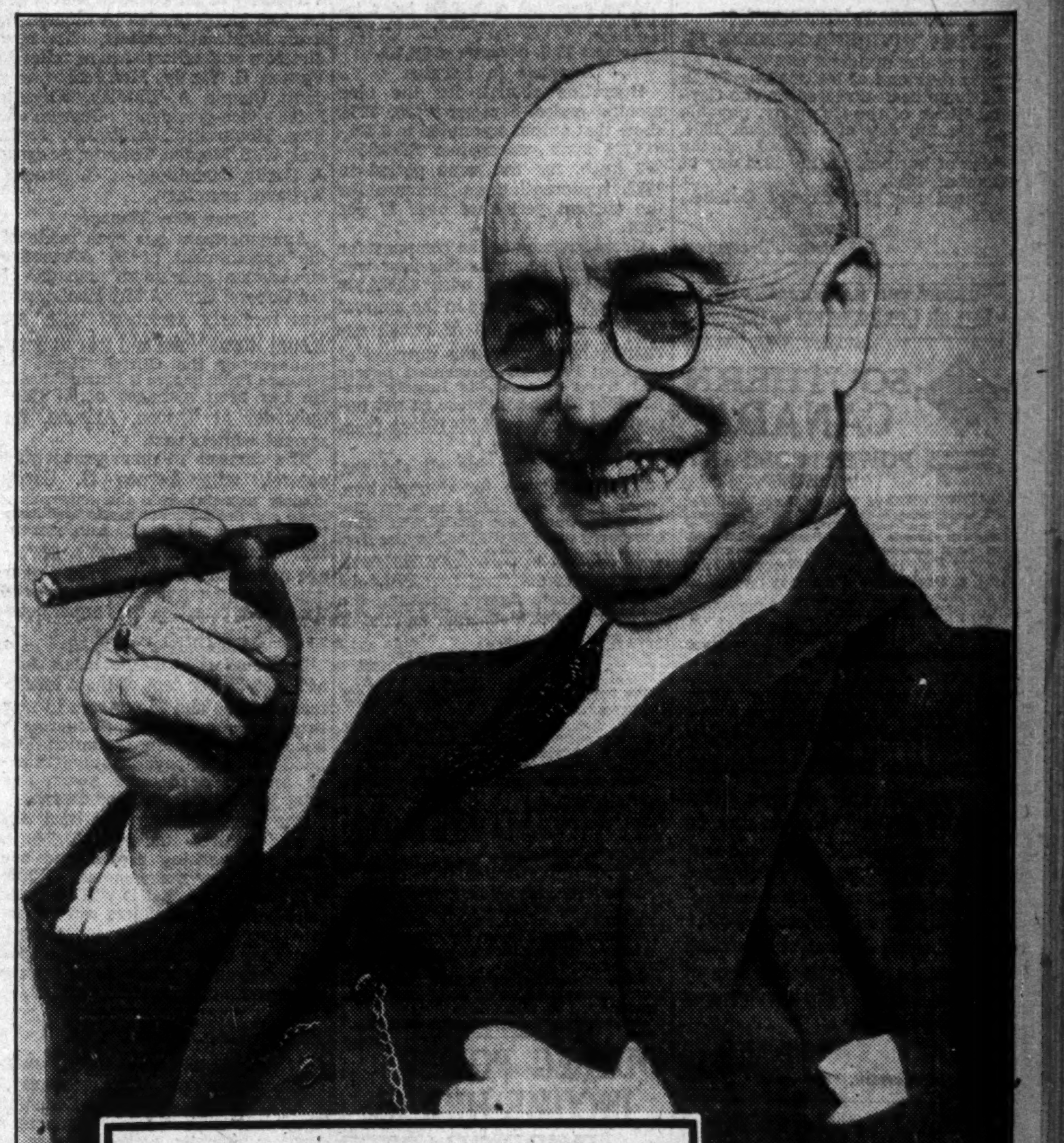

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NOTICE is hereby given that the owner of Canadian Patent No. 315,397, issued 22nd September, 1931, for "Method of projecting and copying lenticular photographs" is desirous of arranging by way of licence for the commercial exploitation of the invention in Canada. All communications should be addressed to H. Baron, 231, Strand, London, W.C.2, England.

DIVIDEND NOTICES

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 259

EXTRA DIVIDEND NUMBER 18

A regular dividend of 1%, and an extra dividend of 1%, making 2% in all, have been declared on the Capital Stock of the Company, payable on the 5th day of November, 1934, to shareholders of record at the close of business on the 19th day of October, 1934.

Dated the 12th day of October, 1934.

I. McIVOR,
Assistant-Treasurer.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 38

A DIVIDEND of Twenty Cents (20c) per share, being at the rate of 80c., per annum, on the no par value COMMON STOCK of Southern Canada Power Company, Limited, has been declared for the quarter ending October 31st, 1934, payable November 15th, 1934, to shareholders of record at the close of business on October 31st, 1934.

By order of the Board,

L. C. HASKELL,
Secretary.

Montreal, October 5th, 1934.

SIMPSONS, LIMITED

Preference Dividend No. 12

NOTICE is hereby given that a Dividend of One Dollar per share on the outstanding paid up six and one-half per cent Cumulative Preference Shares of the Company has been declared payable on November 1, 1934 to shareholders of record at the close of business on the twentieth day of October, 1934. The transfer books will not be closed.

FRANK HAY,
Secretary

Toronto, October 10, 1934

McIntyre Porcupine Mines, Limited

(No Personal Liability)

DIVIDEND NO. 64

Notice is hereby given that a dividend of ten per cent. (10%) on the Company's Capital Stock will be paid in New York funds on December 1, 1934, to shareholders of record at the close of business on November 1, 1934, free of any tax payable at the source under the Canadian Income War Tax Act.

By Order of the Board.

BALMER NEILLY,
Treasurer.

Dated at Toronto, October 11, 1934.

Quebec Power Company

Notice is hereby given that a dividend of Twenty-five cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ended September 30th, payable November 15th, to shareholders of record October 25th, 1934.

By Order of the Board,

JAMES WILSON,
Secretary.

Montreal, October 15, 1934.

Biggest Churchill Year Sees 15 Vessels Loaded

During the season of navigation at Churchill Man., now officially closed, 15 vessels came into that new port with cargo and left with return loads of western Canadian products.

Canadian exports included 4,000,000 bus. of wheat, 4,200 tons of mill products, 580 head of cattle, 2,000,000 feet of lumber and eight tons of honey. This is the largest number of sailings and the largest quantity of cargo so far shipped from Churchill.

What Are the Newspapers Saying?

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SHAWINIGAN'S NET REFLECTS HIGHER SALES

Power Sold First Nine Months Ahead of Last Year

From Our Own Correspondent

MONTREAL—Further increases in power sales find reflection in earnings of Shawinigan Water and Power Co. during the current year.

Although lower water conditions curtailed the amount of power available for secondary contracts, the total power sold for the third quarter of 1934 aggregated 1,083,578,328 kw.h., as compared with 1,010,308,199 kw.h. for the corresponding period of 1933.

In an official interim statement issued by the company it is shown that in the quarter ended September 30, 1934, the company had a gross income of $3,020,108. This is in contrast with $2,946,557 for the corresponding period of 1933. Various increases and decreases in expenses are set forth in the following income account, the net result being that operating income available for fixed charges amounted to $1,752,995 compared with $1,709,822 a year ago. The increase in fixed charges is accounted for by the charge of interest on capital cost of work under construction.

Three Months Ended Sept. 30

	1934	1933
	$	$
Gross revenue	3,020,108	*2,946,557
Expenses:		
Gen. oper. & maint.	615,630	551,563
Power purch.	385,056	▲388,731
Water rentals	93,490	81,517
Taxes & ins.	163,269	167,039
Exch. prem.	9,668	47,885
Net oper. inc.	1,752,995	1,709,822
Fixed charges	‡1,030,810	†878,296
Surplus before deprec. & inc. tax	722,185	831,526

*After deduction of $150,000 representing charge on capital cost of work under construction, but eliminated from gross revenue in annual report for 1933.

†After deducting $150,000 as above noted (not deducted in 1933).

‡After deduction of $150,000 being interest on capital cost of work under construction.

▲Includes U. S. exchange of $14,870.

Advance in Surplus

Operating returns for the nine months ended September 30, 1934, show that output amounted to 3,325,665,221 kw.h., as against 2,829,954,202 kw.h. for the same period in 1933, representing an increase for the current period of over 17 per cent.

Gross revenue of the company for the first nine months this year was $8,962,677 compared with $8,634,300 last year. The decline in the amount paid in premium on American exchange bought for the purpose of meeting bills for purchased power and fixed charges, is largely responsible for the increase in net operating income to $5,244,201 up from $4,689,550 last year.

After providing for all charges, surplus available for depreciation, income tax and dividends on the common stock was $2,294,799. This compares with $2,054,856 for the first nine months of 1933. This was well in excess of dividend requirements.

Comparative figures covering the returns for the first nine months of 1934 and 1933 follow:

Nine Months Ended Sept. 30

	1934	1933
	$	$
Gross revenue	8,962,677	*8,634,300
Expenses:		
Gen., oper. & maint.	1,744,575	1,610,016
Power purchased	1,145,993	▲1,243,956
Water rentals	274,480	248,929
Taxes & insurance	491,106	508,461
Exch. on fixed chgs.	62,322	333,388
Net oper. revenue	5,244,201	4,689,550
Fixed charges	‡2,949,402	†2,634,694
Surplus before deprec. & income tax	2,294,799	2,054,856

*After deduction of $450,000 representing charge on capital cost of work under construction, but eliminated from gross revenue in annual report for 1933.

†After deducting $450,000 as above noted (not deducted in 1933).

‡After deduction of $150,000 being interest on capital cost of work under construction.

▲Includes U. S. exchange of $115,485.

QUEBEC POWER INCOME HIGHER THIRD QUARTER

Betterment Does Much to Offset Losses Earlier in Year

From Our Own Correspondent

MONTREAL. — Earnings of the Quebec Power Co., controlled by Shawinigan Water and Power Co., recorded an appreciable increase both in gross and net during the third quarter of 1934 in comparison with the same period last year.

Gross revenue from all sources totalled $980,318. This is in contrast with $957,056 for the corresponding three months of 1933. It is noted that general expenses are somewhat lower, while the difference in premium on exchange shows an improvement of over $5,000. The latter was partially offset by a slight gain in fixed charges.

Show Larger Surplus

Particulars of the income account for the third quarter of 1934 and 1933 follow:

Three Months Ended Sept. 30

	1934	1933
	$	$
Gross revenue	980,318	957,056
Less:		
Exp., taxes, etc.	557,646	594,554
Exch. premium	*3,210	2,152
Fixed charges	152,132	146,695
Surplus before deprec. & income tax	273,750	213,645

*Credit.

Make Better Showing

As a result of the improvement in the past quarter, the cumulative returns for the nine months reveal a whittling down of the decrease in gross income, while the savings in expenses have been more than sufficient to take care of this loss, with the result that for the first nine months of this year Quebec Power Co. shows $760,521 available for depreciation, income tax and common stock dividends. For the same period in 1933 the surplus on the same basis, amounted to $656,233.

Comparative income accounts for the nine months ended September 30 for 1934 and 1933 follow:

Nine Months to Sept. 30

	1934	1933
	$	$
Gross revenue	2,848,577	2,856,745
Exp., taxes, etc.	1,630,794	1,734,735
Exch. bond int.	863	25,689
Fixed charges	456,398	440,086
Total	2,088,055	2,200,511
†Surplus	760,521	656,233

†Before depreciation and income tax.

New President

VERNON G. CARDY

Managing director of the Mount Royal Hotel Co., Montreal, who has been elected president of the General Brock Hotel Co., Niagara Falls.

VERNON G. CARDY MADE PRESIDENT GENERAL BROCK

Reorganization Brings New Directorate and Management

Vernon G. Cardy, managing director of the Mount Royal Hotel Co., Montreal, and vice-president of the Royal Connaught Hotel Co., Hamilton, was elected president of the General Brock Hotel Co., Niagara Falls, at a meeting at Toronto last week. New directors for the General Brock were also elected.

Reorganization of the General Brock's capital structure last July resulted in a change of control, a majority of the common shares going to a group headed by George A. Ross, Montreal architect. The new directors and officers are as follows: Vernon G. Cardy, Montreal, president; Claude A. Findlay, Niagara Falls, vice-president; George A. Ross, Montreal; C. A. Ripley, Montreal; W. S. Morden, Toronto; Andrew J. Cardy, Hamilton; A. I. Brooks, Welland, secretary.

Name New Manager

Announcement has been made of the appointment of H. Alexander MacLennan as resident manager of the General Brock. Mr. MacLennan was formerly associated with the Mount Royal Hotel and was summer manager of the Clifton House at Niagara Falls before it burned down. He has been manager of El Conquistador at Tuscon, Arizona, for several winters past.

The changes in management and control, with Vernon G. Cardy closely associated in the enterprise, bear out the forecast made last July by The Financial Post. An observation dining room, sun deck, beverage room and broadcasting of dinner music are among the new features of the hotel's direction that are expected to bring increased business.

Bondholders' Position

Bondholders of the hotel last July accepted 25 per cent of their investment in cash and 75 per cent in new three per cent second mortgage bonds under the reorganization. The bond interest is payable only if earned for the next three years, and after that becomes a fixed charge.

The new interests that have acquired control invested $50,000 in cash for working capital and are providing new management. While it is understood that it will be some time before bondholders can expect any income on their investment. hopes are held that the new policies will eventually allow them to recover some income and principal.

Anglo-Canadian Pulp Step Up Wage Scale

From Our Own Correspondent

MONTREAL — Anglo-Canadian Pulp and Paper Mills announces a further average wage increase of five per cent to its staff and mill workers, the increase being effective as from September 30. This is the second increase in wages and salaries made by Anglo-Canadian this year. On May 6, the company increased the pay of mill workers six per cent in addition to restoring time and one-half for overtime and altering other working conditions.

All staff employees receive a straight five per cent increase in the new wage scale. A minimum wage of $3 per day for an eight-hour day is established for all inside mill workers; men receiving 50 cents per hour and under receive a four per cent increase; men receiving from 51 to 60 cents per hour receive a five per cent increase; men receiving over 60 cents per hour, excepting paper machine workers, receive a six per cent increase.

The paper machine workers, according to the company, are now being paid the 1932 scale of wages.

Marketing Board Progress Reported in Alberta

From Our Own Correspondent

EDMONTON.—Alberta is moving forward at a good rate with the formation of marketing boards.

The appointment of a provisional livestock marketing board composed of 17 prominent stockmen from various parts of the province, has been announced by Hon. F. S. Grisdale, minister of agriculture.

Some time ago, a proposed poultry marketing board was organized and a scheme submitted to Ottawa for approval. Similar action will now be taken by the livestock interests.

The livestock board will look into numerous problems that affect the industry in this province and determine what line of action Alberta producers should take in securing all possible benefits from the Natural Products Marketing Act passed by the Dominion house.

J. S. Mitchell Retires Block of Preferred

From Our Own Correspondent

MONTREAL—J. S. Mitchell and Co., a general supply house operating from Sherbrooke, informs the Montreal Stock Exchange of the redemption of 32 shares of the company's preferred stock. These shares have been cancelled, leaving a balance outstanding of 3,060 shares of preferred stock.

Wheat

Winnipeg Follows Liverpool

WINNIPEG.—Although at times the leadership in wheat price movements is to be found in the Winnipeg Market since the beginning of this month the course of prices at Winnipeg has been largely governed by movements elsewhere, principally at Liverpool or Chicago and this applies as well to declines as to subsequent recoveries. At Liverpool, Southern Hemisphere developments have had a large influence, the aggressive selling of the Argentine and the favorable prospects for the coming crop being offset to some extent by the fact that prospects for the Australian crop have not been materially improved, although a tentative estimate of 124 million bushels instead of a previous one 12 million bushels lower has come into circulation.

Alarm over the continued pushing of subsidized French wheat into British and Continental markets seems to have declined with the realization that much of such wheat might be fed to livestock. Another point of encouragement has been the fact that Oriental markets have been buying wheat both from Australia and Argentina, and substantial business this early in the season gives promise of larger takings later on.

The Chicago market has been moved by alternations of bullish and bearish sentiment, with a certain amount of buying being done as a hedge against possible currency inflation, and the outlook for next year's crop being regarded sometimes as gloomy on account of poor moisture conditions and the next as being at least for a somewhat better result than obtained this year. During much of the time movements at Winnipeg parallel those at Chicago, and the fact that the two markets are in the long run susceptible to entirely different influences is registered only occasionally with abrupt alterations in the spread between the two.

* * *

No Sign of Bear Raid

EXAMINATION of the course on prices on other markets does not bear out the story which has been sent out from Winnipeg to the effect that prices on this market were driven down by a bear raid on the part of operators who were driven out when Mr. McFarland announced that the Government would continue supporting operations.

* * *

Exports Remain Small

NEITHER world wheat shipments nor exports from Canada have yet begun to move at a rate that would support the earlier hopes for a much improved wheat trade this year. When allowance is made for wheat shipped for consumption in the United States it is found that less Canadian wheat has gone overseas this year than last and that Great Britain has been filling a large part of her requirements with Argentine wheat. The principal increase hoped for in takings of wheat this year is in Italy, but that country is still getting along with very small imports while Germany, which apparently could use a good deal of imported grain is both unable and unwilling to pay for imports. But it is still quite possible that continental countries will enlarge their imports as the season advances.

Movement of grain down the lakes continues at a light rate. Buying for export in the Winnipeg market is extremely spasmodic, an occasional big day being followed by a period of stagnation.

* * *

Coarse Grains Follow U.S.A.

THE weakness that has developed in the coarse grains market in Winnipeg is a direct reflection of the decline in these grains in the United States. Immediate demand for such grains has declined with improvement of pasture conditions in the country, as well as by heavy slaughterings of livestock, while speculative interest has been lessened by the importation of European rye. Scarcity of corn, expected to be felt as the crop season advances, has not yet had time to develop. Our markets had gone up on the export of some limited quantities of coarse grains to the United States, and in the expectation of much larger business, and prices were closely based on those south of the line. When the latter fell ours followed.

Can. Industrial Alcohol Name General Manager

From Our Own Correspondent

MONTREAL—Canadian Industrial Alcohol Co., officially announces the appointment of Major D. J. O'Donohue as general manager of the company.

Following a distinguished military career in the Great War, Major O'Donohue became associated with the Montreal Securities Corp. He is chairman of the Montreal Federated Catholic Charities, besides being a director of Canada Dry Ginger Ale and Jamaica Public Service.

Grain and Milling in Canada

OGILVIE FLOUR PROFITS IN 1934 $8.08 A SHARE

Milling Conditions Commented on by W. A. Black in Review

From Our Own Correspondent

MONTREAL. — Net earnings of Ogilvie Flour Mills for the fiscal year ended August 31, 1934, were on a parity with those reported in the preceding twelve months.

Expectations have been that with the maintenance in volume of export and domestic trade and with higher prices prevailing in the last fiscal year, earnings of the company would be on a larger scale. The financial statement, however, shows that net profits amounted to $746,749, as against $747,771 in the 1933 fiscal year. Earnings on the common stock for the past year amounted to $8.08 a share, or 2 cents a share less than in the previous year.

Particulars on the profit and loss account for the past three years follow:

	1933-34	1932-33	1931-32
	$	$	$
*Net profit	746,749	747,771	744,936
Dividends	740,000	740,000	740,000
Surplus	6,749	7,771	4,936
Prev. surp.	2,179,556	2,171,784	3,172,298
P. & P. bal.	2,186,305	2,179,555	3,177,234
Earn. on com.	$8.08	$8.10	$8.06

*After deducting depreciation and income tax.

Working Capital Position

August 31:	1934	1933	1932
	$	$	$
Curr. assets	11,188,570	11,215,618	9,411,690
Curr. liabs.	4,182,812	4,326,796	2,718,359
Work. capital	7,005,758	6,888,822	6,693,331

Inventories Are Larger

At the end of last August, Ogilvie Flour Mills' balance sheet showed assets totalling $15,869,118 compared with $16,006,352 on the same date a year ago. The comparative study of the two balance sheets shows that inventories increased during the past year from $3,252,762 to $4,956,674.

Investments, on the other hand, declined from $6,586,472 to $949,335. As regards the latter, W. A. Black, president, points out that the listed securities held by the company are carried on the books substantially below market quotations, while unlisted securities are carried at conservative valuation. Investments in affiliated companies, which were written down quite sharply a year ago, are unchanged as compared with them, and are carried at what is considered by the management to be reasonable value.

Investment in other companies remains unchanged at $1,640,460, while property is shown at $3,040,086 after depreciation. The latter figures compare with $3,150,572 a year ago.

The only change of interest among the liabilities is a reduction in bank loan from $2,978,673 to $2,653,863.

In his report to shareholders, Mr. Black had the following to say, in part:

"Income from investments was below a fair return on the capital invested, and an improvement in this connection is dependent upon a return to better business in general.

"The plants of the company have been maintained in first-class condition, and at Montreal new motors were installed in the Royal Mill plant to provide sufficient electric power to operate this mill at capacity when and if the water power supply from the Lachine Canal becomes deficient, which unfortunately has happened with increasing frequency during the past few years.

Milling Conditions Viewed

"Milling conditions continued to be very unsatisfactory during the year under review. The government maintained the price of Canadian wheat so far above the level at which other countries were willing to sell that export flour business was only possible to a limited extent, and then at figures which showed serious losses to the mills."

Further Rains Stop Threshing; Grade Lowered

From Our Own Correspondent

WINNIPEG.—A period of hot dry weather throughout Western Canada, following a previous extended period of wet weather, allowed threshing to be resumed on a large scale, but this has again been checked by widespread rain, creating alarm in many districts as to whether threshing can be satisfactorily completed before winter.

All reports from the North agree that there is going to be a great deal of low grade wheat, a fact that is just beginning to be registered in the daily inspections. As the season advances the percentage of low grade wheat reaching terminals is likely to increase steadily. That fact is not yet registered in the spreads on the lower grades.

No. 2 Northern is at a discount of four cents a bushel under No. 1 Northern in the cash wheat market, reflecting the fact that holders are trying to get rid of this grade in anticipation of difficulties that may be met next year, under the new grading regulations, when Garnet wheat will be separately graded in getting rid of grain in which Garnet and Marquis types were mingled under existing regulations. No 2 Northern consequently continues to be delivered fairly freely through the clearing house on the October contract, with holders of the option who require the higher grades forced to pay a premium for it.

In the Mail

Wheat and Government

Editor, The Financial Post,

For nearly five years Canadian comment on the wheat situation has contained a steady undercurrent of suggestion that it has been a mistake for any attempt to be made to keep the price of Canadian wheat at Liverpool above that of Argentine grain. The phrase "holding an umbrella" is typical, and this is repeated in the columns of your excellent journal this week.

It is a very accurate phrase. As soon as it became evident—around the middle of 1929—that the world visible supply of wheat had reached an unusually high point it was possible to forecast that the added quantities in excess of ordinary stocks would accumulate in North America, and it is not necessary to blame the Federal Farm Board, the Wheat Pool, or J. I. McFarland for that fact.

Wheat can only be stored under cover, and only in North America was the necessary covered storage space to be found. Had all the agencies named tried to force prices down instead of keeping them up, surplus Russian, Australian and Argentine wheat would have been offered and sold at cheaper prices than North American. The "umbrella" was a physical one. Were two merchants to buy large stocks of straw hats to-morrow, the merchant who lacked storage space would be forced, at any price, to undersell the merchant who had adequate physical cover.

It is legitimate to offer criticisms of all the agencies named for the methods which they have employed. In the first place their very existence frightened speculators out of the field. Speculation is still the only force which can cause prices to rise or to fall, and speculation as it is conducted on organized commodity exchanges, with freedom for short selling, should and would have forced prices down much earlier than was actually the case, and would have produced recovery very much more rapidly than has happened. Such speculation was checked by the intrusion into the market of agencies which, freed from the necessity of obtaining credit in the usual way, were able to mobilize uncounted millions of dollars in loans on unhedged wheat, and thus to upset the ordinary procedure of the commodity markets.

In addition, all the agencies named, finding the task which they undertook in good faith to be of great magnitude, became alarmed, and in each case attempted to ease their burden, or to excuse their mistakes, by a great programme of alarmist talk — the clamor that overproduction was the trouble, and that governmental powers must be used to limit the growing of wheat. As an entirely natural consequence, speculation in wheat dried up completely, and even in face of this year's radical alteration in the supply situation, markets do not as yet show courage. Those who remember the fulminations of the advocates of reduction of acreage should have not the slightest doubt of whose is the fault.

It is a fact that agencies of this sort may be ill advised enough to try to hold the price of their wheat higher than should be the case, but once the custody of a large amount of wheat has been committed to such an agency—unable to verify the accuracy of its judgment by watching the higgling of the market—all that can be done is to put our trust in prayer. A few special services of intercession imploring guidance for Mr. McFarland would almost seem justifiable. Never in our history has one man held such power over the welfare of Canada in his hands.

To argue now that Mr. McFarland is holding our wheat at too high a price is useless. He, you or I can have no means of deciding that. The course of events will decide. Certainly he is not to be blamed—at this date—for refusing to sell in competition with the Argentine Republic. Were he to lower his price, the Argentine price would fall faster and farther. The Argentine farmer will sell his wheat far cheaper than we can without provoking insurrection or producing great business disasters.

Any blame for present troubles must lie on those who rashly tried to find some method of selling wheat which would be better than the tried one of the established commodity exchanges; and on those who carried on the great alarmist campaign which convinced speculators throughout the world that wheat was valueless. All that we can do now is to hope—with every reason—that the market will improve; and—with far less reason—that as soon as we can escape from governmental interference in wheat marketing we shall do so.

A WHEAT SPECIALIST
Montreal, P.Q.

Key Facts About Wheat

	Week bu.	Previous Week bu.	Same Week Year Ago bu.
Canadian Wheat in Store:			
Fort William, Oct. 12	57,828,575	59,217,697	61,271,856
Country elevators, Oct. 5	88,205,093	85,640,433	96,687,082
Total, all points, Oct. 5	230,179,344	228,544,283	235,246,382
World Shipments, incl. flour, Oct. 13:			
North American	3,176,000	4,364,000	5,251,000
Argentine	4,280,000	4,446,000	1,259,000
Black Sea*	376,000	....	1,832,000
Australian	2,790,000	1,711,000	800,000
Total, world	11,622,000	11,761,000	9,374,000
Visible Stocks, Oct. 5:			
Canadian	121,519,000	123,346,000	121,940,000
United States	110,429,000	112,134,000	142,260,000
Argentine	16,533,000	16,900,000	10,287,000
Australian	30,000,000	32,000,000	11,058,000
Country Marketings and Exports:†			
Canadian exports, Oct. 12	2,308,714	4,199,112	3,433,414
Cum. to Oct. 12 (11 weeks)	33,195,244	30,886,531	36,849,215
Country marketings, Sept. 28	5,308,972	10,771,408	14,325,654
Cum. to Sept. 28 (9 weeks)	85,746,318	80,437,346	78,977,916
Country deliveries, Oct. 12‡	13,608,000	9,647,000	14,050,000
Country loadings, Oct. 12‡	9,423,000	6,371,000	9,736,000

* Includes So. Russia. † Excluding flour. ‡ Sanford Evans Weekly Report.

Winnipeg Grain Prices

Week to October 16

Crop year from Aug. 1, 1934 High	Low		Open Oct. 10	High for week	Low for week	Close Oct. 16
		Wheat				
.95	.74⅛	October	.78¼	.82⅛	.78	.79¼
.97	.75¾	December	.78¾	.83	.78¾	.80¼
1.00½	.80⅞	May	.83½	.87⅝	.83½	.84¾
		Oats				
.48	.39⅜	October	.41⅝	.44¼	.41⅛	.42⅝
.47⅝	.38½	December	.40½	.43⅜	.40½	.41¾
.49⅝	.39¾	May	.41⅝	.44⅛	.41¼	.42⅛
		Barley				
.64⅜	.48½	October	.52½	.54¾	.51⅜	.53
.63¾	.49	December	.53	.55⅝	.52	.53⅛
.65	.50¾	May	.54⅞	.57⅝	.54	.55¾
		Flax				
1.73½	1.28	October	1.40½	1.44	1.32¾	1.36
1.74¾	1.19	December	1.40½	1.45½	1.33	1.37¼
1.73½	1.28	May	1.47¾	1.54	1.38½	1.42½
		Rye				
.76½	.51¼	October	.57	.60⅝	.57	.59½
.77	.51¼	December	.57⅞	.61½	.57⅝	.60⅝
.80⅛	.55½	May	.60¾	.65⅛	.60¾	.64¼

DOM. BAKERIES MARKING TIME, PLANTS RENTED

Conserving Assets; Would Resume Operations if Outlook Favorable

All plants of Dominion Bakeries Ltd., are now rented, The Financial Post is informed. Originally some 15 bakeries were operated in the smaller cities and larger towns of Ontario with a total annual capacity of 20,000,000 loaves. Running into very severe competition, the company suffered heavy operating losses in 1931 and 1932 with a net loss of $185,832 in the latter.

In order to conserve the assets of the company for the shareholders, it was decided to cease operations gradually and rent the plants. Since the carrying out of this policy, it is understood, losses have been checked although definite figures are not available, no financial statement having been published by the company since 1932.

It is understood, however, that there is no intention to wind up the company but rather to mark time until conditions improve and operations can be resumed with expectation of profit. The company is under the management of the Maple Leaf Milling Co. which has supplied this service and office space free of charge since Nov. 1, 1931.

LAWRENCE FLOUR STEPS UP DIVIDEND TO $2 ON COMMON

Better Earnings Cause Directors to Take Action

From Our Own Correspondent

MONTREAL.—Dividends on the common stock of St. Lawrence Flour Mills Co. have been increased from $1.50 to $2 a share annually.

Announcement of the dividend increase was made following the annual meeting of shareholders, called to consider operating results for the fiscal year ended September 1, 1934. In that period the company reported net earnings of $146,136, equivalent to $4.19 a share on the common stock. In the preceding twelve months the company showed net earnings of $115,824, which, after all senior charges, amount to $1.99 a share on the common.

Current Business Good

As regards current operations of the company, D. A. Campbell, the president, stated that the present fiscal year started out under favorable conditions and that the profits in September, the first month of the current period, were quite satisfactory.

From 1925 to nearly the end of 1932, St. Lawrence Flour Mills did not pay any dividends on its common stock. Beginning November 1, 1932, the company paid an initial quarterly dividend of 37½ cents. This rate was continued throughout 1933 and 1934, when the present change was made.

St. Lawrence Flour Mills has outstanding 12,000 shares of common stock of a par value of $100 each.

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Your Investments

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International Metal

I have received a request to send in my share certificates in Service Stations, Ltd., for exchange to International Metal Industries, Ltd., but before doing so I want to know if there is not some other reason for the change other than that which has been given.

You will recall the balance sheet submitted two years ago and the enormous write-off that was shown (nearly $7,000,000) which made me feel that something was wrong and that false values had been given to assets in the first place, just a sample of the game that had been played on the public by the brokers for years before the 1929 crash though our governments never investigated these frauds, for they certainly were nothing less, and nobody was made to pay the penalty for the wrong.

The Financial Post was a paper I used to believe in before the crash but even you people never raised your voice in protest at the big capitalizations except when things went wrong. Yet I considered it your duty to have protested in most of the flotations for they were absolutely unwarranted and the result is a sad wreckage and a lot of poverty-stricken homes.

For goodness sake go get yourself a ramrod and put it up your back to stiffen it and go after these financial sharks be they the most powerful in the land. Let's bring them to justice even if it is necessary to get legislation that is retroactive in order to bring their sins of the past into the light of day.

These robbers should be stripped of every penny they possess and put in the bread line or on the rock pile with lashes to boot.

Let's hear you start a campaign for a clean-up for we sure need one.

The change of name from Service Stations, Ltd., to International Metal Industries was approved by shareholders at the recent annual meeting.

The events of the depression have made an enormous difference in the value of real estate and in the value of the fixed assets of many companies. Service Stations recognized this and wrote down the value, as you stated, by millions of dollars. This does not necessarily mean that "false" values were given in the first place. You make a quite common mistake of talking as though values should be permanent. They simply represent the degree of desirability which securities, real estate commodities, services have acquired in the public mind and they go up and down like the mercury in the thermometer to register changes in the urgency of public demand.

Of course, the questions of over-capitalization, stock watering, excessive bond financing, etc., are quite another thing. We have no reason to apologize for the attitude we took on these matters in the boom years.

This company expanded rapidly at a time when the market for its products was abnormally active. It paid large premiums for stocks of subsidiary companies acquired and the scale of earnings at that time was such that the only way to gain control was by way of paying premiums. You will remember how in every hamlet on this continent oil companies and independent citizens were erecting service stations with the object of making money out of the rapidly increasing use of gasoline for motor travel. The thing was overdone to such an extent that the only way many of these station proprietors could make money was to go into all sorts of other things such as the selling of hot dogs, soft drinks, the establishment of tourist camps and so on.

The demand for service station equipment of a modern type during this period was naturally very high. When the crash came in 1929, and progressively thereafter, as the oil industry found that it had provided enormously beyond the requirements of the market there was a stop to the process. The companies stopped buying service station equipment as one of the major ways in which money could be saved. There was in any case, especially in the United States, far more of such equipment in such stations than was needed. In various parts of Canada, the same thing proceeded to a ridiculous extent. Naturally, this company and every other company supplying service station equipment faced the need of reducing expenses drastically, of getting along with only such plants as were needed and of trying to develop other kinds of business to take the place of lost orders.

Service Stations, doing business both in the United States and Canada, was in an exceptionally favorable liquid position. It was, therefore, able to meet the worst stress of the period but it had to suffer losses. It was decided by the directors to bring the balance sheet into line with the actual situation as it had become. That was done. The shareholders had immediate notification in that change of what they had lost, but they could also see that the company was still in an excellent position to take advantage of any improvement in the situation. The company has consistently worked at improving its business in other lines, such as that of its subsidiaries selling oil burners, milk cans, hot water boilers and ranges, pneumatic storage tanks and tanks for the oil trade, fuel containers and refrigerators.

The net loss in 1933 was $172,244 after depreciation as compared with $643,080 in the preceding year. These earnings will have to increase about $700,000 before dividends can be paid both on preferred and common. It will take some little time after that before common can participate in dividends for the preferred stock dividends in arrears must be paid off.

The function of The Financial Post is to give the available financial news so that investors may themselves come to conclusions about their various stocks. It has always been very energetic in trying to get news which is difficult to get for the information of investors but it does not try to make up the minds of investors for them either as to buying or selling of stocks. That is the function of the investor himself and only tipster sheets try to do otherwise. If you have been a subscriber of The Post through these difficult times you have seen continuous evidence of the ramrod in its backbone.

For example, this paper was under fire continuously for two or three years before 1929 for our repeated warnings of the disaster that must follow over-building and over-financing of the newsprint industry.

Bell Telephone

Please be good enough to let me have your views on the stock of the Bell Telephone Co. of Canada I have thought of making a small investment in this security.

Bell Telephone Co. of Canada's common stock is well regarded as an investment medium; the company has a consistent record extending back more than five decades. While it is true that in the years immediately prior to the collapse of business in 1929 the company over-extended its facilities, this does not detract from the merits or soundness of the enterprise. In the last two or three years earnings of the company have declined in sympathy with the general business situation with the result that it was necessary for the company to reduce the dividend on the common stock from $8 to $6 a share. The latter figure is now being covered by a comfortable margin and as business picks up and the use of the company's facilities grows more extensive, it is presumed that the management will take steps to restore the dividend to $8 a share.

Harding Carpets

As I am holding securities of the Harding Carpet Company I will be pleased if you will let me know what progress they are making.

We understand that Harding Carpets Ltd. has been showing a substantial improvement during the present year. For the first six months of the 1934 fiscal year which will end Oct. 31, a net profit of $18,197 was officially reported after income tax and full depreciation as compared with a net profit of only $267 for the whole of the previous fiscal year. Business on the company's books, according to a statement by A. E. Cuthbertson, president, indicated that the balance of this year would be just as profitable.

At the end of the present fiscal year the company would have been 49 per cent in arrears of dividends on the preferred stock and as the payment of such dividends would be a long and tedious task a reorganization was proposed and approved at a special general meeting of the company's shareholders at Brantford, on Sept. 25. This proposal called for a rearrangement of the share capital by conversion of preferred shares and accrued dividends into common on the following basis:

20 shares of new common stock for one share of old preferred and accrued dividends; 14 shares for each preferred share and six shares for accrued dividends.

One share of new common stock for one old share of common.

The directors further proposed to increase the authorized capital to 300,000 shares which would leave 130,000 shares in the treasury available for use in future developments. This was also approved.

At the end of the last fiscal year the company had a working capital of $88,820 as compared with $68,274 in 1932. Current assets at the end of the 1933 fiscal year totalled $252,920 of which $192,492 was in inventories and $71,286 in accounts receivable. The working capital position is understood to have improved materially this year.

Gurney Foundry

Will you give me any information you have concerning Gurney Foundry Co.? Why has a reorganization not been undertaken and what is the outlook for the first mortgage bonds?

The National Trust Co., co-trustee for the first mortgage bonds of Gurney Foundry Co. which defaulted interest May 15, 1933, acquainted bondholders with the position of the company last June. The situation has not changed materially since then. The amount of bonds outstanding is $780,000 of an original issue of $1,200,000.

Reorganization of the company has been delayed because there is no provision in the trust deed for calling a bondholders' meeting to approve modifications of the deed. The deed, however, places authority with the trustees to make modifications, and this has been done in certain respects because it was necessary to enable the company to obtain bank credit and to continue to operate as a going concern. Opinion seems strongly in favor of keeping the plant in operation so that bondholders will not suffer the loss of the company's goodwill. As a result of keeping the plant going, business is improving and is understood to be about on the level of 1932, with possibilities that a comparatively small loss will be recorded this year. This loss will probably be less than what maintenance costs would be if the plant were closed, and the company's goodwill as a going concern has been retained. So the policy adopted appears to have been of value to bondholders. It should help them when a sale or reorganization is undertaken.

A reorganization would have been undertaken some time ago had statutory difficulties not been involved. The Dominion Government last year passed the Companies Creditors Arrangements Act to allow companies to get around the difficulties and to carry out reorganizations. Corporation lawyers appear to be agreed that it would be dangerous to attempt a reorganization until the validity of the Act has been referred to the highest courts. They are not satisfied that the decision of the Supreme Court of Canada is impregnable. There is some possibility that one of the provinces will be persuaded to appeal the decision to the Privy Council for a final ruling.

Under a tentative reorganization plan, arrangements have been made so that bondholders will not enforce their lien under the defaults before Jan. 1, 1939, and that the company will pay to the trustee for distribution to bondholders all payments it would have to make if the scheme of reorganization that has been discussed were in operation. This is merely a manner of keeping the company going under a tentative reorganization.

By this means, bondholders are prevented from foreclosing, which it is felt might not be a wise move anyway because a sale of the property under present conditions would necessitate a heavy sacrifice by bondholders. Meanwhile the company's position is somewhat improved with general business improvement, but reasonable profits are still distant. From the bondholders' viewpoint the position cannot be materially changed until the status of the Companies Creditors Arrangements Acts is defined satisfactorily and until the company is earning profits.

McColl-Frontenac

It would be appreciated if you would let me have a statement on the affairs of McColl-Frontenac Oil Co. I would like to know something in regard to the company's earnings on its common stock as well as particulars of progress made this year.

McColl-Frontenac Oil Co. has steadily expanded its operations in the past few years and income has been sufficient to take care of dividends on the common stock. There have been no particular developments since the beginning of the current year. Sales are unofficially reported to have been holding up satisfactorily, with income comparing favorably with that reported in 1933-1934, when $1.27 a share was earned compared with dividends of 60 cents a share. The company is now paying 80 cents a share. The volume of business being handled by the company would appear to be larger, judging by the fact that this summer the company completed the construction of two high-pressure cracking units at the Montreal East refinery. These additional units increased the capacity of the refinery from 5,000 to 12,000 barrels of crude oil per day which, together with the Toronto refinery, gives the company a total daily capacity of 17,500 barrels.

Ford of Canada

Is Ford of Canada common stock a reasonable hold for five years?

Ford of Canada has been paying dividends since the end of last year but it did not earn those dividends last year. It is believed that at least part of the dividends have been earned during 1934. It is impossible to predict as to the exact effect of the influences bearing on the automobile markets of the next five years. The best one can do is to suppose that companies, which have very strong liquid positions such as Ford of Canada, which have managements which have proved themselves in the past and producing cars which have an excellent reputation with the public, will, on the average, over a long period do very well. It is not likely that the increase being shown by Ford in 1934 is a flash in the pan.

Canadian Pacific

I have been considering purchasing a few shares of common stock in the Canadian Pacific Railway Co. While I appreciate the fact that the affairs of the company at the moment are not particularly prosperous, I thought I might buy some of the stock and hold on to it for some years in the hope that eventually the company would work back into a strong position and resume dividends on its common stock. Accordingly, I would like to have a report from you as to what progress the company is making at present.

Canadian Pacific Railway operating revenues have been hard hit by the depression. Income has dropped to such a point that it has been necessary for the company to defer dividends on both its preferred and ordinary shares. Last year the company found it necessary to increase its borrowings from the banks up to $60,000,000, the principal and interest on which is guaranteed by the Dominion Government. Earning power of the company has been on a better basis this year to date, than was the case in the corresponding period of 1933. Net operating revenues for the first eight months totalled $10,636,527, as against $6,698,123 for the corresponding period of 1933, an increase of nearly 53 per cent. The final showing for the year will depend on the outcome of the crop movement in the West. While the crop itself will be somewhat smaller than in 1933, there is hope that a substantial export movement will develop. In this event the company should handle a larger volume of grain which in turn would be reflected in increased income. Judging by the returns reported in the final month of 1933, the company should show for 1934 sufficient income to cover its senior charges, as well as leaving a fairly substantial balance to be applied to the preferred stock, dividends on which are still deferred.

Dominion Bridge

Kindly let me have your opinion on the stock of Dominion Bridge Co. Is this company in a financial position to take full advantage of an upturn in business?

Dominion Bridge Co.'s income closely reflects new construction and engineering projects undertaken in the Dominion. Accordingly its income in the last three years has been on a lower basis; in fact, the amount paid out in dividends has been more than the net earnings reported after depreciation. The company is in an excellent position, however, to take advantage of any upturn in new construction. It not only has adequate working capital but has plants located at strategic points throughout the Dominion. Given a more normal volume of business, the company should have no difficulty in showing substantial earnings on its capital stock.

Dominion Stores

Would you please advise me as to your recommendation with respect to Dominion Stores Co. common? I purchased at $25 and am doubtful as to whether it is advisable to hold in view of present developments.

Gross sales of Dominion Stores Ltd. for the year ended Dec. 31, 1933, were $19,758,368 as compared with $23,042,273 in 1932, and a top for the last seven years in 1931 of $25,200,150. Net profits in 1933 amounted to $339,279 as compared with $361,621 in 1932. The highest net profit in the last seven years was made in 1929 when $591,549 was reported. The common stock earned $1.20 per share in 1933 and paid in dividends the same amount. This compares with $1.28 earned per share in 1932 and a dividend of $1.20.

Sales of Dominion Stores for the first six months of 1934 were $9,756,205 as compared with $9,821,790 for the corresponding period in 1933. Earnings for the first half of 1934 were $120,224 as compared with $156,774 and earnings per share 42 cents in 1934 as against 55 cents for the same period in 1933. Since June 30, 1934, further figures have been issued which disclosed a drop of 1.62 per cent in sales in July, 1934, from July, 1933, and a drop of 4.77 per cent in sales in August, 1934, from the same month a year previously.

In a statement issued last August the company attributed the drop in earnings largely to a highly competitive situation which has developed in Montreal this year, where one-fourth of the company's grocery and meat business is done.

United Steel

Any recent information you have on United Steel would be appreciated. What is the stock worth?

United Steel Corp. stock is currently quoted at $2.50 to $2.75 A report published by the company showed a balance in the surplus account as at January 31, 1934, of $10,305 after deducting $1,050 bond interest and $20,262 depreciation. The balance sheet showed current assets of $777,449 and current liabilities of $25,543; working capital being $751,906. Fixed assets were $1,566,490 and goodwill was $1.

United Steel Corp, Ltd., acquired the entire capital stock of Dodge Manufacturing Co. in October, 1933. In May of this year the company also announced that sufficient common shares of the Standard Steel Construction Co. had been deposited to warrant the United Steel Corp. to put into effect its offer to purchase the common shares of the former company on an exchange basis. While less than 75 per cent of the common shares of Standard Steel have been deposited, officials of United Steel Corp. stated that a sufficient amount had been offered to make it possible for them to carry out the deal.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Sun-Ray Gold

Would you consider Sun Ray Gold Syndicate a good investment under present circumstances?

Properties of Sun Ray Gold Syndicate have been acquired by Sun Ray Gold Mines and consist of 13 claims in Deloro township, Porcupine mining area. When the syndicate was formed, this company brought considerable criticism on itself by the nature of its prospectus which was vague and lacked many essential points of information. The property itself is not a new one and was formerly opened up as the McEnaney Property. The new company is now dewatering the old shaft and making preparations for further development. Until some tangible results are forthcoming from this property, however, it must only be regarded as a raw prospect. Sun Ray Gold Mines, whose head office is 112 Yonge Street, Toronto, has an authorized capitalization of $3,000,000 in $1 par value shares. Holders of syndicate units received 250 shares for each unit held. The company is headed by G. Ruel, president; C. R. McIntosh, vice-president; V. T. Bartram and C. A. G. Matthews, directors.

Hill-Top Gold Mines

Is Hill-Top Gold Mines still in existence?

Hill-Top Gold Mines, while still in existence, is as far as we are aware without worth-while funds and has no tangible assets to be considered important. Of an authorized capitalization of $5,000,000 in $1 par value shares, a total of $4,658,405 are outstanding. The company owns a gold prospect in Catherine Township and also a copper prospect in the Boston Creek district in Ontario. Some development work has been done but was stopped in 1928 due to inconclusive results. The company also has a 90 per cent interest in thirteen mining claims in Argyle township, Matachewan district, and a few claims in Tyrrell township, Ontario. The head office of the company is 1700 Sterling Tower, Toronto.

Rackets

Racket: "A trick, dodge, scheme, game, line or business or action." — Shorter Oxford English Dictionary.

Unnecessary Aid

WARNING issued to Ontario farmers by the Federal Department of Finance against parties offering their services as "go-betweens" in connection with the new debt adjustment legislation, indicates a new form of racket. These intermediaries, according to advice from Ottawa, propose to charge the farmer a fee for services which are entirely unnecessary. One of the principal features of the new legislation is the fact that it is available to the farmer without any charge whatever. In every district official receivers have been appointed to take charge of the work without cost to the farmer.

Circularizing of the farmers by Toronto agencies is regarded by Government authorities as not only an attempt to make money out of the agriculturalists' troubles, but also as an attempt to encourage farmers who do not need any assistance to take advantage of a debt compromise. The Finance Department has made it very clear that the administrators of the act will deal with the farmers directly.

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DISCREDIT RUMORS ABOUT MERGERS CONS. BAKERIES

With Earnings Believed Higher Further Dividend is Expected

Relatively large sales of Consolidated Bakeries stock on the Toronto Exchange recently are interpreted by sources close to the company as indicating a better earning position rather than any further mergers of Canadian bread companies, The Financial Post is informed.

Many of the 318,440 outstanding shares in this company, it is understood, are still held by the former owners of the Montreal, Toronto, Hamilton, Peterborough and Western Ontario companies which entered the merger resulting in the present organization in 1928. It is assumed that some of these owners may desire to liquidate their holdings. At any rate recent sales, which amounted to a peak of 1,700 shares on one day of last week, would hardly involve any substantial control, and since then the flurry in buying seems to have completely disappeared.

Doing Better

The Post understands that the company is definitely doing better in the current year though the management refuses to confirm any report of another dividend. The last dividend of 25 cents per share was paid last April and a similar one is generally expected in the near future. For the year ended Dec. 30, 1933, after $79,610 for dividends there was a surplus $14,318 which brought the total surplus carried forward to $94,312. Earnings per share amounted to 29 cents as compared with three cents in 1932 and $1.15 in 1931. Though conditions in the baking industry generally are still considered far from satisfactory, something better than the 1933 earnings is expected of Consolidated Bakeries for the current fiscal year.

Profits Higher

Sales are believed to be slightly better than a year ago while profits have shown a greater improvement. The sale of relief bread, for instance, is now believed to be on a near profitable level whereas a year ago bakeries claimed that this business was done at a loss. Competition, too, it is understood, is not as keen with few if any minimum prices below eight cents per loaf as compared with a low of six cents a year ago. While no general increase in bread consumption is expected until heavy industries employing outdoor workers with dinner pails start taking on more men, in the case of Consolidated Bakeries there has been further efficiency in distribution, it is reported. Instead of long distance deliveries out into the country districts all the year round these have been confined to those sections where there are large summer resorts and discontinued when the summer population moved back to town. Costs of raw materials have advanced in the past year, but other items in production, remain about the same.

STANDARD CLAY SEEK TO DEFER SINKING FUND

Lack of Business and Need for Cash Given as Reasons

From Our Own Correspondent

MONTREAL.—Holders of the 6 per cent, 30-year, first mortgage refunding bonds of Standard Clay Products have been notified of a meeting to be held in Montreal on November 15, to consider a request of the company for the cancellation of payments to the sinking fund during 1934, 1935 and 1936.

In a covering letter calling the meeting, Herbert Molson, president of Standard Clay Products, states that the recommendation to defer sinking fund payments has been made for the purpose of enabling the company to maintain its liquid and working capital position, so as to continue to meet the interest on the outstanding bonds.

Conditions Difficult

The letter goes on to state that conditions for the last three years have been very difficult. Construction work has been at a very low ebb and municipal work reduced to a minimum. These conditions have resulted in a marked reduction in the volume of sales of the company's products.

In view of the falling off in the volume of sales, measures of strict economy were introduced. Operation of the plant has been restricted, salary reductions effected, etc., and for the past two years the directors have served without remuneration.

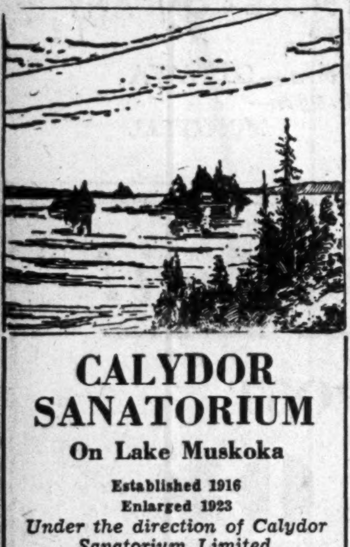
Notwithstanding these measures, operating profit for 1932 was only $19,468 and for 1933, $7,857, in both cases before providing for bond interest and depreciation. This necessitated drawing on reserve to the extent of $59,534 in 19332, and $46,125 in 1933.

Bond Interest Unearned

Sales for the current year, states the president, show a slight improvement over 1933, but are still of such small volume that indications are that the bond interest will not be fully earned this year and that it will be necessary to draw further on reserve to pay current bond interest.

While the company is still in sound condition, owing nothing to the banks, and with sufficient working capital for present requirements, the continuation of sinking fund payments under existing conditions would, unless business takes a very decided upturn in 1935, deplete the treasury of working capital and possibly necessitate, within a short time, default of payment of interest on the outstanding bonds.

By relieving the company of its obligation to pay sinking fund payments for three years, Mr. Molson states that the company may be able to continue to complete the interest on its outstanding bonds.



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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING OCTOBER 15

Range 1934 High	Low	Divd. Rate in $	Y'ld in % Oct. 13		Sales	Close Oct. 8 (or last)	Week Ending —Oct. 15— High	Low	Close
				A					
2.50	.80	.	...	Abitibi	1195	1.00	1.10	.95	.95
10½	3¾	.	...	Do. pref. 6%	75	4½	3¾	3¾	3¾
7½	2	.	...	Do. cert. dep.	75	2½	3	2½	3
3	3	.	...	Acme Glove	....	3	..	..	..
25½	25	3.25	...	Do. pref.	....	25	..	..	..
8½	5½	20c	...	Agnew Surp.	100	6	7½	7	7½
90	72	7	7.9	Do. pref.	10	86	89	89	89
7	3	.	...	Alta. Pac. Gr.	....	3½	..	..	..
23	14½	.	...	Do. pref.	....	15	..	..	..
2½	1½	.	...	Amal. Electric	....	1¾	..	..	..
15	10	.	...	Do. pref.	....	15	..	..	..
15¾	15½	.	...	Amer. Cyn. B.	....	15¾	..	..	..
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
13½	5	.	...	Asbestos, v. t.	102	5½	5¾	5½	5¾
13	9½	25c		Assoc. Brew.	620	11½	11	10½	10½
97½	85	7	7.2	Do. pref.	....	97	..	..	..
4½	4½	.	...	Assoc. Can.	....	4½	..	..	..
				B					
145	125	8	6.4	Bk. Can. Nat.	40	125	125	125	125
203	167	8	4	Bk. Montreal	624	199½	202	197	201½
278	247	12	4.6	Bk. N. Scotia	195	256	260	256½	260
212	161½	10	4.7	Bk. Toronto	211	210	212	210	210
16¾	15	50c	...	Barcelona	....	15	..	..	..
8½	3	.	...	Bathurst Pr.	455	3¾	5	4	5
3.50	.75	.	...	Do. (B)	39	.80	1.25	1.00	1.25
1½	1	.	...	Bawlf Grain	....	1	..	..	..
18½	7	.	...	Do. pref.	....	18	..	..	..
4	2¾	.	...	Beath & Sons	....	2¾	..	..	..
10	6½			Beatty Bros. A	75	8	8	8	8
88½	69	6	6.8	Do. pref.	10	88½	88½	88½	88½
9¾	3½	.	...	Beauharnois	736	5½	5¾	5½	5½
85	65	4	5.1	Belding Cort.	....	79	..	..	..
105	97	7	7	Do. pref.	....	100½	..	..	..
122	110	6	4.9	Bell Telephone	663	121½	122	119¾	120½
12	7½	50c		Biltmore Hats	....	10	..	..	..
93	85	7	7.5	Do. pref.	....	93	..	..	..
6	2	.	...	Bissell, T. E.	....	4	..	..	..
29	25	.	...	Do. pref.	....	25	..	..	..
6	4			Blue Ribbon	....	4½	..	..	..
32	23	2	6.7	Do. pref.	50	29½	29½	29½	29½
26	22	2	7.7	Brant. Cord. pf.	443	25½	26	25½	26
14¾	7½	.	..	Brazilian Tr.	27401	11¾	12½	10¾	11¾
2.95	.65		..	Brew. & Distil.	2950	.85	.70	.65	.65
11	5¾		...	Brewing Corp.	7391	6¾	7	5¾	6¾
32¾	15½	3	...	Do. pref.	820	26¾	27½	25½	27½
12	10	30c	3	Bright, T. G.	120	11	10	10	10
75½	75½	6	8	Do. pref.	20	75½	75½	75½	75½
15¾	12	80c	5.7	Brit. Amer. Oil	8136	13¾	14½	13¾	13¾
3.87	1.10	.	...	B. C. Packers	150	1.40	1.50	1.50	1.50
15	10	.	...	Do. pref.	70	14	15	15	15
32½	22¾	1.50	5.5	B. C. Power A	1285	27	28	27½	27½
8½	4½			Do. (B)	85	5	5½	4½	5½
22	12½	1	6.7	Bruck S. Mills	680	15½	15½	15	15½
23½	16½	1	4.5	Building Prod.	770	21½	22	21	22
34	27	2	6.5	Burt, F. N.	72	30½	31	30	31
				C					
x125	125	6	...	Calgary Pr.	....	..	..	..	..
5½	2	.	...	Canada Bread	1655	2½	3½	2½	2¾
50	23	.	...	Do. pref. A	11	40	40	40	40
15	8	.	...	Do. pref. B	40	12	15	14	15
12	7¾	.	...	Canada Bud	605	9	9½	9	9½
12	4¾	.	...	Canada Cement	3878	7½	7¾	6¾	7¾
53	32		...	Do. pref.	1591	42¾	45¾	41¾	45
b29½	12½	1	6.2	Canada Dry	2600	15	16	14½	14¾
6½	3¾	.	...	Can. Forg. (A)	....	3¾	..	..	..
4	4	.	...	Do. (B)	....	4	..	..	..
18½	18	.	...	Canada Iron	....	18½	..	..	..
60	50	3	6	Do. pref.	38	60	50	50	50
‡*425	425	20		Canada Life					
35¾	27	1.50	5.4	Can. Malting	510	27¾	28	27½	27½
22½	16½	1	5.6	Can. Nor. Pr.	50	18	18	17¾	18
102	88½	7	6.9	Do. pref.	70	101½	101½	101	101
.10	.10		...	Can. Paving	....	.10	..	..	..
4	3		...	Do. pref.	....	3	..	..	..
140	117	8	6.7	Can. Perman.	82	120	120	119	119
3.75	.70		...	Can. Steamships	....	1.50	..	..	..
9	2½			Do. pref.	65	5	4½	4½	4½
27½	21½	1.60	6.3	Can. Vinegars	152	25½	25¾	25	25½
25	22½		...	Can. W. Cable	....	24¾	..	..	..
13½	5½	.	...	Do. (B)	....	10	..	..	..
4	2½	.	...	Can. Bakeries	....	2½	..	..	..
12	9	.	...	Do. pref.	....	10	..	..	..
166	127	8	5	Can. Bk. Com.	302	159	161	157	161
27	17	60c	2.4	Can. Bronze	600	22½	26	22	26
109	95	7	6.7	Do. pref.	10	101½	104	104	104
8½	5			Can. Canners	5	5	5	5	5
88½	75	6	6.8	Do. 1st pfd.	71	86½	87½	86	87½
10½	6¾	30c	4.2	Do. 2nd pfd.	505	7½	7½	7½	7½
9¾	5½	.	...	Can. Car & Fdy	725	6½	6½	6	6½
16	11½			Do. pref.	255	13½	14	12¾	13¾
22½	15½	.	...	Can. Celanese	785	19½	21	19¾	20½
120	104	7	6.2	Do. pref.	60	110	112	112	112
45	30	2	6.7	Can. Convert.	16	38	30	30	30
72	41	4	6.7	Can. Cottons	....	60	..	..	..
95	70	6	6.4	Do. pref.	60	93	93	93	93
34½	17	1	4.5	Can. Dredge	510	22¾	23	22¾	22¾
106½	106½	7	6.6	Do. pref.	....	106½	..	..	..
65	65	6	9.2	Can. Fairb. pf.	....	65	..	..	..
25	9	1	4	Can. For. Inv.	150	24	24¾	24	24¾
105	80	8	7.5	Do. pref.	139	105	107	106	106
160	124½	3	2	Can. Gen. Elec.	10	158½	152	150	152
65	39	3.50	5.4	Do. pref.	116	63	65	63	65
§6½	4	40c		Can. G. Inv. T.					
76	54½	6	9.4	Can. Hyd. El. p.	221	64	64½	63½	64½
20½	5½			Can. Ind. Alc.	6145	7¾	9¾	7½	8½
19¾	5			Do. (B)	1120	7	8½	6½	7½
170	148	4	2.5	Can. Indust. B.	....	162	..	..	..
142	128	7	5	Do. pref.	....	140	..	..	..
†5.00	3.95			Can. Int. I. Tr.					
20	20			Do. pref.	97	20	20	20	20
40	19	1	5	Can. Lt. & Pr.	....	20	..	..	..
2½	1½			Can. Locomo.	....	2	..	..	..
b4½	1½			Can. Marconi	9180	2	2¾	1½	2¾
18	12	50c	3.6	Canadian Oil	90	13	13¾	13	13¾
120	92	8	6.9	Do. pref.	....	115½	..	..	..
18½	11¾	.	...	Can. Pacific	8793	13	13½	12½	12¾
3.00	1.50	.	...	Can. Vickers	20	1.50	1.50	1.50	1.50
6½	4½			Do. pref.	....	4¾	..	..	..
§49	46	2		C. West'ghouse	....	49	..	..	..
11½	5	20c	3.8	Can. Wineries	85	5¾	5¾	5½	5½
16½	13	1.50	11.3	Can. Wire Box.	125	14	14	13½	13½
9½	7	.	...	Catelli Mac (A)	39	9½	9	9	9
2¾	1		...	Do. (B)	....	1	..	..	..
§245	245	8		Cent. Can. Loan					
9	7½	60c	7.7	Champ. Oil, pf.	650	7½	7¾	7½	7¾
3.50	1.10	.	...	Chem. Research	2200	1.42	1.60	1.35	1.55
14¾	2¾			City Gas & Elec.	....	3	..	..	..
.80	.35	.	...	Claude Neon	5	.35	.35	.35	.35
11	5¾	.	...	Cockshutt Plow	451	6	6½	6	6½
1.50	.30	.	...	Comm. Alcohol	....	.50	..	..	..
2	1¾			Conduits	....	1¾	..	..	..
†94	84			Do. pref.					
12½	7	25c		Cons. Bakeries	2441	8¾	10½	9	10
1.50	.40	.	...	Cons. Indust.	....	.50	..	..	..
3.50	1.20	.	...	Cons. Paper	1884	1.50	1.75	1.35	1.50
11½	6			Cons. Press	....	7	..	..	..
30	24			Cons. Sand. pf.	5	25	25	25	25
170½	118	1		Cons. Smelters	962	131	139¾	129	138
200	165	10	5.3	Consumers' Gas	267	193	193	189½	193
41½	23			Corr. P. Box, p.	....	41½	..	..	..
10½	5¾			Cosgrave Brew.	10	6	6	6	6
11¾	7½			Cosmos Imp.	25	11½	11½	11½	11½
95	80	3.50■	3.8	Do. pref.	10	91	92	92	92
4½	2	.	...	Crown Dom. Oil	....	2½	..	..	..
22	16	4		Crow's N. Coal	....	20	..	..	..
				D					
1.10	1.00		...	David & Fre. B	....	1.05	..	..	..
2¾	2	.	...	Do. (A)	....	2¾	..	..	..
4¾	1	.	...	De Havilland	....	2	..	..	..
30	22			Do. pref.	....	24	..	..	..
†9	5			Disher Steel					
8½	6	.	...	Do. pref.	30	8½	8½	8½	8½
26¾	8¾	.	...	Distill-Seagram	5121	15	15¾	13¾	14¾
186	133	10	5.8	Dom. Bank	229	175	175	171	175
37	25½	2	6	Dom. Bridge	992	33	33½	32	33½
102	10			Dom. Coal	985	96	102	94	102
28	18¾			Dom. Engineer	....	20	..	..	..
99	81	5	5.3	Dom. Glass	145	90½	94	90	93
130	113	7	5.4	Do. pref.	60	128	130	129½	130
.90	.15	.	...	Dom. Motors	15	.25	.15	.15	.15
1½	1	.	...	Dom. Pr. Stubs	....	1½	..	..	..
80	80	7		Dom. Rubber, p	....	80	..	..	..
5¾	2½	.	...	Dom. St. & C.B.	9112	3¾	4¾	3¾	4¾
23	14	1.20	7.9	Dom. Stores	858	14¾	15½	14¾	14¾
5½	1¾	.	...	Dom. Tar & Ch.	815	2	2½	1¾	1¾
29½	15			Do. pref.	20	22	22½	21½	21½
88	67	5	6.2	Dom. Textile	271	80	80	79½	80
140	112	7	5.4	Do. pref.	28	130	133	130	132
7½	3	.	...	Dryden Paper	315	3	3¾	3¾	3¾
4	2			Duff. Paving	....	2	..	..	..
40	18			Do. pref.	15	21	21	20	21
				E					
3	3			East. Koot. Pr.	....	3	..	..	..
†97	94¾			Do. pref.					
5	2			East. Dairies	....	2½	..	..	..
13	6			East. Steel	....	8	..	..	..
80	72	7	9.7	Do. pref.	....	72	..	..	..
‡34	34			East. Theatres					
75	66½	7	10	Do. pref.	....	70	..	..	..
5½	1½	.	...	Easy Washer	50	2	1¾	1¾	1¾
15	10	18¾c		Economic Inv.	76	11	12	10	12
†15	15			Edmonton D'y					
†80	78¾	6.50		Do. pref.					
3½	1	.	...	Enam. & Heat.	20	1	1	1	1
16	9	.	...	Eng. Electric	....	9	..	..	..
6	4	.	...	Do. (B)	....	4	..	..	..
				F					
18	10			Fam. Players	....	12½	..	..	..
17	10			Do. Vot. Tr.	....	12½	..	..	..
32½	11½	1	3.6	Fanny Farmer	55	28	29	27¾	28
38	28	2.40	6.5	Do. pref.	....	36¾	..	..	..
25½	15	50c	2.2	Ford Motors A.	8609	22½	23	21¾	22¾
3¾	1½			For. Pr. Secs.	15	1½	1	1	1
16½	10	25c		Foundation Co.	30	12½	13	13	13
12½	3			Fraser Cos.	221	3½	4	3½	4
9	2			Do. Vot. Tr.	425	2½	2	2	2
3	3			Frost Steel	....	3	..	..	..
47	30			Do. pref.	....	45	..	..	..
				G					
6	3	.	...	Gen. St. Wares	305	3	3¾	3	3¾
46	14½			Do. pref.	94	32	30	28	28½
136	90	5	3.9	Goodyear Tire	75	125	129¾	125	129¾
115	106	7	6.2	Do. pref.	61	114	114	113½	114
3¾	1	.	...	Gt. W. Saddlery	....	1	..	..	..
21½	11	.	...	Do. pref.	....	19	..	..	..
11½	5½	.	...	Gurd, Chas.	35	5½	5½	5½	5½
§100½	100	7		Do. pref.					
8¾	4½	.	...	Gypsum, Lime	1404	4¾	5½	4¾	5½
				H					
9½	4	.	...	Ham. Bridge	140	5	5	4½	4½
37	21			Do. pref.	50	21	22	21½	22
21	14			Ham. Cot. pf.	....	20½	..	..	..
2¾	1			Ham. U. Theat.	25	1½	1½	1½	1½
56	46	7	14	Do. pref.	....	50	..	..	..
‡50	50			Hillcrest Coll.					
‡91	91			Do. pref.					
9½	5¾	.	...	Hinde & Dauch	440	9	9½	8¾	9½
12	12			Holt Renfrew	....	12	..	..	..
50	35			Do. pref.	....	39	..	..	..
1.60	.25			Honey Dew	145	.25	.25	.25	.25
11	3			Do. pref.	....	3½	..	..	..
11	4			H. Smith Pap.	320	8½	8¾	8	8½
74	33			Do. pref.	35	70	74	72	74
27½	24	2	7.5	Humberstone S.	24	27	26½	26½	26½
18	9	50c	4.5	Hunts (A)	10	12½	11	11	11
16	8½	50c	5.9	Do. (B)	....	8½	..	..	..
95	70	6	8.3	Huron & E. Mt.	10	75	72½	72½	72½
15	13			Do. 20% pd.	....	15	..	..	..
8	4½	.	...	Hydro Electric	....	4½	..	..	..
				I					
185	141	10	5.6	Imperial Bank	92	179	185	178	185
15¾	12½	50+15c	4.1	Imperial Oil	19741	14¾	15¾	14¾	15¾
14	10½	52½c	4.3	Imperial Tob.	1325	11¾	12	11½	11¾
17½	14			Inter. City Bak.	....	17	..	..	..
15½	15	4	...	Inter'c Coal	....	15½	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b9½	3½	.	...	Int. Hyd. E. A.	2200	3½	4	3½	3½
5	3½	.	...	Int. Metal Ind.	100	3¾	4	4	4
40	40		...	Do. pref.	....	40	..	..	..
110½	99	7	6.5	Inter. Mill., pf.	5	102	107	107	107
99	84	6	6.3	Do. Series A.	....	94½	..	..	..
29	21½	15c	...	Inter. Nickel	20030	23¾	24½	23½	23¾
5	3		...	Inter. Paints	....	4	..	..	..
b6½	2	.	...	Int. Pa. & P. A	1100	2½	2¾	2½	2½
b3½	1½	.	...	Do. (B)	800	1½	1½	1½	1½
b2¾	¾	.	...	Do. (C)	2700	1½	1½	¾	1
b24¾	8½		...	Do. pref.	10000	10½	11¾	9½	11
30½	19½	1.56	5.2	Inter. Pete.	18421	29¾	30½	28¾	29¾
4	2			Inter. Power	....	3½	..	..	..
28½	14			Do. pref.	10	25	25	25	25
13½	13	.	...	Inter. St. Rly. A	100	13½	13½	13	13½
2¾	2½	.	...	Do. (B)	....	2½	..	..	..
6½	2½	.	...	Int. Util. (A)	165	3	3	2½	2¾
1.50	.45	.	...	Do. (B)	680	.50	.50	.45	.50
				J					
†40	40	1		Jam. Pub. Ser.	....	..	..	..	..
103	97	7	6.8	Do. pref.	....	103	..	..	..
				K					
5½	4	.	...	Kelvinator	5	4	4½	4½	4½
95	80	7	7.5	Do. pref.	....	93½	..	..	..
				L					
15	9¾	.	...	Lake of Woods	425	10	11½	11	11
73	56			Do. pref.	10	67½	68	60½	60½
82	75	4	4.9	Landed Bank	....	82	..	..	..
5	1			Langley's	....	4	..	..	..
63	25	7	12.5	Do. pref.	....	56	..	..	..
59	47½	3	5.2	Laura Secord	120	56	58	56½	58
3½	1½		..	Lindsay, C. W.	....	2	..	..	..
40	35			Do. pref.	....	38	..	..	..
18½	14	1	5.7	Loblaw (A)	3779	17½	17½	17	17½
17¾	13½	1	5.7	Do. (B)	424	17	17½	17	17½
				M					
8	3½	.	...	MacKin. Steel	....	3½	..	..	..
†95	90			Do. pref.					
4	2¾	.	...	Manitoba Pr.	....	3	..	..	..
5.25	.50			Maple Leaf	....	.50	..	..	..
10¾	5			Do. pref.	5	10	9	9	9
3	1			Do. (B)	....	1	..	..	..
12½	12		...	Marcus Loew's	....	12½	..	..	..
100	60	7	7	Do. pref.	52	89	100	100	100
8½	3½			Massey-Harris	3343	3¾	4½	3¾	3¾
14¾	10½	80c	5.7	McColl Fron.	9358	13½	14½	13½	14
91½	71½	6	6.7	Do. pref.	368	89½	89¾	89	89
17	10			Melchers (A)	350	10½	11	10	11
11	3	.	...	Do. (A)	220	4½	4¾	3	4¾
‡35	35			Mercury Mills					
18	15			Do. pref.	....	15	..	..	..
16	15		...	Mitchell, J. S.	....	16	..	..	..
100	100	7	7	Do. pref.	....	100	..	..	..
10½	3			Mitchell, Robt.	110	4	5	4½	4½
8	5	.	...	Monarch Knit.	....	5	..	..	..
72	45	1^	..	Do. pref.	78	72	72	70	70
45	25			Montreal Cot.	....	37	..	..	..
87	67	7	9	Do. pref.	40	78	78	78	78
½	½	.	...	Montreal Exhib.	....	½	..	..	..
4	3½	.	...	Mont. Is. Pr.	....	4	..	..	..
39½	30¾	1.50	4.8	Mont. L. & Pr.	7619	32	32½	30¾	31½
47	38	2.50	5.8	Montreal Loan	....	43	..	..	..
5½	5	.	...	Mtl. Ref. & S. P.	....	5	..	..	..
1½	1½	.	...	Do. Vot. Trust	....	1½	..	..	..
55	50	3.20	6	Montreal Tele.	25	53	53	53	53
125	90	9	9.6	Montreal Trams	140	90	94	92	93½
17½	11			Moore Corp.	288	14½	14½	14	14½
120	96	7	6.5	Do. pref. (A)	15	106	107	107	107
130	109½	7	5.9	Do. pref. (B)	5	120	118½	118½	118½
3	¾	.	...	Muirheads	....	1½	..	..	..
6½	6	.	...	Do. pref.	....	6	..	..	..
				N					
29½	23½	1.60	5.5	Nat. Breweries	3589	28¾	29½	28½	28½
37	31	1.75*	4.7	Do. pref.	75	36	37	36½	36¾
118	90½	7	6.2	Nat. Groc. pf.	20	115	112	112	112
20½	14½	.	...	N. Sew. Pipe A.	140	19	19½	19	19
18½	12½			Nat. Steel Car	488	13¾	15	14	15
185	140	8	4.8	National Tr.	....	165	..	..	..
9	8	.	...	Niag. W. Weav.	....	8¾	..	..	..
38	31	3	8.6	Do. pref.	....	35	..	..	..
1.50	.50		...	North Star Oil	....	.75	..	..	..
3.00	1.00	.	...	Do. pref.	....	1.00	..	..	..
				O					
209	180	8	4.1	Ogilvie Flour	10	195	195	195	195
‡140½	125	7	5.2	Do. pref.	10	135	135	135	135
9	5½	.	...	Ont. Eq. 10% p.	5	6	6	6	6
105	102	6	5.8	Ontario Loan	40	104	103½	103½	103½
7	2½	.	...	Ont. Silknit	32	4¾	5	4¾	4¾
45	31			Do. pref.	155	36	40	38	40
10	10		...	Ont. Steel	....	10	..	..	..
.90	.25		...	Orange Crush	....	.25	..	..	..
9¾	5	.	...	Do. 1st pref.	....	5	..	..	..
1.10	.30	.	...	Do. 2nd pfd.	....	.35	..	..	..
5	5			Ottawa Car	....	5	..	..	..
92	79	6	6.7	Ott. L. H. & Pr.	....	89	..	..	..
103	90	6.50	6.4	Do. pref.	5	100	101	101	101
20	5	50c		Ott. Traction	....	15	..	..	..
				P					
77	55	3	4.2	Page Hersey	326	72	72	70½	72
30	24			Paton Mfg.	....	24	..	..	..
90	90	7	7.8	Do. pref.	....	90	..	..	..
62	47	3	5	Penmans	180	56½	60	60	60
102	90	6	5.9	Do. pref.	....	102	..	..	..
20½	14	1	5.2	Photo Eng.	320	19	19½	19	19½
66	60	7	10.8	Porto Rico Pr. p	....	65	..	..	..
15	7½			Power Corp.	1186	9½	10	9	9
85	51	6	8.6	Do. pref.	50	71	71	70	70
2	½	.	...	Prairie C. Oil	....	½	..	..	..
20½	11½	.	...	Pressed Metals	85	12	12	11½	11½
6.00	.95			Price Bros.	900	2.12	3.00	2.00	3.00
37½	7	.	...	Do. pref.	125	17½	17½	15	17½
				Q					
20	15	1	6.2	Quebec Power	395	16	16	16	16
				R					
§95	85	3	..	Real Estate L'n	....	..	..	..	..
6½	2	.	...	Regent Knit.	1010	3½	3¾	3½	3½
5	3			Reliance Grain	....	5	..	..	..
24¾	19	1*	4.2	River. S. Mills	375	23½	24¾	23½	24¾
9½	5½	.	...	Rogers Majest.	855	8	8	7¾	7¾
168	129½	8	4.9	Royal Bank	364	164	163	160	163
18½	17		...	Russell Motor	....	18½	..	..	..
55	40	5	9.1	Do. pref.	....	55	..	..	..
				S					
3	2½	.	..	Sarnia Br. (A)	....	3	..	..	..
1¾	1¾			Do. (B)	....	1¾	..	..	..
24½	17½	50c	2.8	Shawinigan	1224	17¾	18	17¾	18
21	12½			Sher. Wms.	120	12½	12½	12½	12½
87½	56			Do. pref.	15	86	86	86	86
10	6¾			Simon & Son	....	8	..	..	..
100	65	.	...	Do. pref.	....	100	..	..	..
85	42½	1		Simpson, Ltd.	270	80	85	79	84
17	9½	.	...	Do. (A)	25	10	12	11	12
8	4			Do. (B)	10	6½	8	8	8
99	80	6	6.1	Simpson, R., p.	15	98	99	98	99
16	11	80c	6.7	So. Can. Pr.	245	12	12½	12	12½
90½	72	6	6.9	Do. pref.	17	88	88	87	87½
3.50	1.50	.	...	St. Law. Corp.	3055	1.50	1.55	1.50	1.50
11½	5½			Do. (A)	150	7½	7½	7½	7½
45	33	2	5.1	St. Law. Flour	5	45	39	39	39
101½	96	7	6.9	Do. pref.	5	100	101½	101½	101½
26	12		.	St. Law. Pap. p	295	13¾	13¾	13½	13½
9	4	.	...	Stand. Chem.	....	4	..	..	..
4.50	.85	.	...	St. Pav. & Mat.	345	1.00	1.00	.85	1.00
25	17½			Do. pref.	....	19	..	..	..
11½	5		...	Stand. Steel	....	5½	..	..	..
§30	30			Do. pref.	....	..	..	..	..
39	28	1.75	4.5	Steel of Can.	3126	37	39	37	38½
39	31	1.75	4.6	Do. pref.	541	37	38½	37	38
3	2			Sterling Coal	....	2	..	..	..
9	4½			Stop & Shop	....	6	..	..	..
*483	483			Sun Life Assur.	....	483	..	..	..
2¾	2			Supersilk H.	....	2½	..	..	..
65	50	3.50	6.7	Do. pref.	....	52	..	..	..
29¾	16	1	4.2	Sup. Pete. ord.	355	21¾	24	21¾	23½
28	16½	1	4.3	Do. com.	340	22	25	22½	24
107	99	7	6.7	Do. pref.	....	104	..	..	..
				T					
28	20			Tamblyn	....	25	..	..	..
106	98	7	6.7	Do. pref.	10	104	103¾	103¾	103¾
7	5½	25c	...	Thayers	....	5¾	..	..	..
42	13	3.50	9.2	Do. pref.	55	38	38	37	37
11½	8	40c	5	Thrift Stores	....	8	..	..	..
25	18	1.62½	9	Do. pref.	25	18½	18	18	18
13½	6½			Tip Top Tailors	77	7½	9	7¾	9
80½	63½	7	10.3	Do. pref.	....	68	..	..	..
†22	10			Tooke Bros.	....	..	..	..	..
15	12	.	...	Do. pref.	....	12	..	..	..
28½	17	1	3.5	Tor. Elevators	87	28	28½	27½	28
105	89½	7	6.8	Do. pref.	35	102½	105	102	105
120	98	6	6.1	Tor. Gen. Tr.	30	110	98	98	98
110	100	6	5.5	Toronto Mtge.	9	107	108½	108½	108½
1.10	.10	.	...	Traymore	150	.10	.10	.10	.10
4½	1			Do. pref.	....	1	..	..	..
130	116	7	5.8	Tuckett Tob. p.	6	127	130	121	130
8½	1½			Twin City	10	4	4½	4½	4½
b39	6			Do. pref.	....	24½	..	..	..
				U					
6½	3	.	...	Union Gas	2270	3½	3½	3	3½
3.50	.75	.	...	United Distill.	....	.75	..	..	..
3	3			United Fuel	....	3	..	..	..
20½	9½			Do. pref.	70	13	13½	13	13½
12½	12½			Un. Amuse. A	....	12½	..	..	..
17½	7½			Do. (B)	....	7½	..	..	..
33	17	2	6.1	United Secs.	....	33	..	..	..
6½	2½	.	...	United Steel	475	2½	3½	2¾	3
				V					
5	1			Viau Biscuit	....	1¾	..	..	..
23	17			Do. pref.	....	17	..	..	..
				W					
37	20			Wabasso Cot.	165	21	21	20	20
57¾	21	.	...	Walker-Good.	2043	25¾	27	24¾	25¾
17¾	13½	1	6.4	Do. pref.	1569	15½	15½	15	15½
10.05	3.90			Walkerville Br.	1765	7.50	7.95	7.40	7.90
4.00	.85	.	...	Waterloo Mfg.	50	.90	.95	.95	.95
8½	6			West. C. Flour	90	6½	6½	6	6
62	48	3	6	Do. pref.	....	50	..	..	..
34	30			West. Grocers	....	32	..	..	..
100	85	7	7	Do. pref.	....	100	..	..	..
47½	28	1	2.2	Weston Bisc.	1467	46	46	44½	45½
110	88½	7	6.5	Do. pref.	5	109½	108	108	108
5	2			Whittall Can	20	2	2	2	2
65	35	6.50	15.1	Do. pref.	30	46	43	43	43
2	2			Windsor Hotel	....	2	..	..	..
18	5½			Do. pref.	....	6	..	..	..
4	1½			Winnipeg Elec.	70	2½	2½	2½	2½
12	4			Do. pref.	....	10	..	..	..
24½	24½	.	...	Wood, A. & J. p	....	24½	..	..	..
50	30			Woods Mfg. p.	5	44	45	45	45
				Z					
6½	3	.	...	Zimmerknit, c.	170	3	5	4½	4½
77	50	7	9.2	Do. pref.	....	78	..	..	..

§ Quotations for 1933. No sales recorded in 1934 to date.
x Quotations for 1932.
† Quotations for 1931.
* See "Unlisted Stocks" also.
• Plus 25c. on arrears paid Oct. 1.
^ On account of arrears.
■ Plus 87½c on arrears paid Aug. 15.
‡ Quotations for 1930.
b New York Quotations.

Active Corporation Bonds

(Furnished by Royal Securities Corp., Toronto)
October 16, 1934

Public Utility Issues:	Int. Rate	Due	Bid Oct. 16	Asked	Bid Oct. 9
Beauharnois L. H. & Power	5½%	1973	100	101	99½
Beauharnois Power Corp.	6%	1959	68½	..	68½
Beauharnois Power Corp.	5%	1973	55	57½	54
Bell Telephone	5%	1955	107½	108½	106½
Bell Telephone	5%	1957	108½	109½	108
B. C. Power	5%	1960	98	99½	97½
B. C. Power	5½%	1960	102½	104	102
B. C. Telephone	5%	1960	102	103½	101½
Calgary Power	5%	1960	96	98	95
Calgary Power	5%	1964	95	97	..
Canada Northern Power	5%	1953	96	98	95½
Cedars Rapids Mfg. & Power	5%	1953	109½	..	109½
Dominion Gas & Electric	6½%	1945	60½	62½	59
Duke-Price Power	6%	1966	89½	91½	89
Gatineau Power	5%	1956	92½	94½	91½
Gatineau Power	6%A	1941	90½	92½	89
Gatineau Power	6%B	1941	88½	90½	86½
International Hydro-Electric	6%	1944	48½	50½	47
Jamaica Public Service	5%	1950	99	101	99½
Maclaren-Quebec Power	5½%	1961	100½	102	99½
Manitoba Power	5½%	1951	56	58	59
Montreal Island Power	5½%	1957	102	103½	102
Montreal L. H. & Power	5%	1951	106½	108	106½
Montreal L. H. & Power	5%	1970	107	108½	107
Montreal Public Service	5%	1942	104	..	104
Montreal Tramways	5%	1955	73½	75½	73
Montreal Tramways	4½%	1955	67	69½	66
Montreal Tramways	5%	1941	98½	100	98½
National Light & Power	6%	1949	82	...	82
N. B. Power	5%	1937	69	72	69
Northwestern Utilities	7%	1938	99½	101½	99½
N. S. Light & Power	5%	1958	97½	100	97
Ottawa Light, Heat & Power	5%	1957	103½	105	103
Ottawa Valley Power	5½%	1970	104½	105½	104
Power Corp.	4½%	1959	79	81	77½
Provincial Light & Power	5%	1946	104	...	104
Quebec Power	5%	1968	101½	103	101
Rio de Janeiro T. L. & Power	5%	1935	99½	101½	99½
Shawinigan Water & Power	6%	1937	101½	103½	101½
Shawinigan Water & Power	4½%	1970	93	95	91½
Shawinigan Water & Power	5%	1970	100	101½	99
Southern Canada Power	5%	1955	102	103½	102
United Securities	5½%	1952	74	76	74½
West Kootenay Power	5%	1956	105	..	105
Western Power Co.	5%	1949	103½	..	103
Winnipeg Electric	5%	1935	93	95	92
Winnipeg Electric	6%	1954	54½	56½	56
Industrial and Realty Issues:					
Abitibi Pulp & Paper	5%	1956	27½	29½	28
Abitibi Pulp & Paper C.O.D.'s	5%	1953	24	26	22
Acadia Sugar	6%	1946	102½	104½	102½
Alberta Pacific Grain	6%	1946	79	81	79
Algoma Steel	5%	1962	15	17½	14½
American Sales Book	6%	1939	102	..	102
Asbestos Corp.	5%	1942	99	..	99
Atlantic Sugar	5%	1941	95	..	95
Balfour Building	6%	1934	38	..	38
Belding-Corticelli	5%	1936	103½	..	103½
Bloor-St. George Realty	7%	1946	46½	..	40
Booth Buildings	6½%	1937	98½	..	98½
Brandram-Henderson	6%	1936	92½	..	92
British American Oil	5%	1945	104½	106	103½
British Columbia Pulp & Paper	6%	1950	66	..	66
Burns & Co.	5½%	1948	31½	33½	30½
Canada Biscuit	6½%	1946	17½	20	16
Canada Bread	6%	1941	98½	100½	97½
Canada Cement	5½%	1947	94½	96½	94
Canada Paper	6%	1945	90	..	90
Canada Steamship	5%	1943	92	..	92
Canada Steamship	6%	1941	25½	27½	24½
Canadian Canners	6%	1950	104	..	103½
Canadian Consolidated Felt	6%	1940	96	..	95½
Canadian Copper Refiners	6%	1945	106	107½	106½
Canadian Cottons	5%	1940	101	..	101
Canadian Goodrich	7%	1943	47	..	47
Canadian International Paper	6%	1949	64½	67	60
C. P. R.	6%	1942	106½	108	106
C. P. R.	4½%	1944	91½	92½	90
C. P. R.	5%	1954	97	98½	96½
C. P. R.	4%	1949	91½	92½	90
Canadian Rail & H. Terminals	6½%	1951	20½	23	18½
Canadian Vickers	6%	1947	58	60½	54½
Consolidated Investment	4½%	1959	75	..	70
Consolidated Paper	5½%	1961	13½	15½	13
Cosmos Imperial Mills	6½%	1944	102	..	102
Debenture & Security	4%	1936	75½	..	75½
Dominion Canners	6%	1940	107	..	106½
Dominion Square Corp.	6%	1948	50	52	49
Dominion Tar	6%	1949	86½	88½	87
Dominion Textile	6%	1949	108½	110	108½
Dominion Woollens & Worsteds (with stock)	6%	1948	..	36	..
Eastern Dairies	6%	1949	68	71	67
Eaton T. Realty	5%	1949	100	101½	99½
Famous Players	6%	1948	93	95	92½
Famous Players	6½%	1948	77	79½	77
Federal Grain	6%	1949	84½	86½	83½
Firestone Tire	7%	1937	100	..	100
Fraser Companies	6%	1950	36	..	38½
French National Mail S.S.	6%	1952	162	..	162
Galt Brass	7½%	1941	37	..	37
General Brock Hotel	6%	1948	31½	..	31
General Steel Wares	6%	1952	84	86	82½
Godfrey Realty	6%	1942	42	...	40½
Great Lakes Paper	6%	1950	26½	29	26
Gypsum, Lime & Alabastine	5½%	1948	79	81	78
Hamilton Cottons	5½%	1948	91½	..	91½
Hamilton By-Products Coke	7%	1943	100	..	99½
Hinde & Dauch	5½%	1948	91½	..	91
International P. & P. Nfld.	5%	1968	92½	94½	92½
Inter City Baking	5½%	1948	85	...	84½
Lake St. John Power & Paper	6½%	1942	...	20	...
London & Can. Invest.	4½%	1948	75	..	74½
London Realty	6%	1950	80½	83½	81
Maple Leaf Milling	5½%	1949	42	45	40½
Massey-Harris	5%	1947	70	72	69½
McColl Frontenac	6%	1949	103½	105	103
McKinnon Industries	6½%	1945	103½	..	103½
Mercury Mills	5½%	1953	...	62	...
Metropolitan Building	7%	1944	100	..	100
Minnesota & Ontario Paper	6%	1945	13	15	13
Montreal Coke	5½%	1947	101½	103½	101½
Montreal Cottons	5%	1947	95½	..	95
Montreal Dry Docks	6%	1948	46	48½	46
Northern Electric	5%	1939	104	...	104
Northern Ontario Building	6½%	1939	97	100	96½
Ontario Building	6½%	1943	37	...	37
Penmans	5½%	1951	106½	...	106½
Price Bros. (Co'D.)	6%	1943	...	87	85
Provincial Paper	5½%	1947	98	...	97
Queen's Hotel	6%	1947	72	75	69
Reliance Grain	6%	1948	86½	...	86½
Restigouche Co.	5½%	1948	72½	75	71½
Richmond Bay Building	6½%	1947	88½	...	88
Riordon Pulp & Paper	6%	1942	103	...	103½
Ritchie Cut Stone	6½%	1948	74	...	74
Rolland Paper	5½%	1948	98½	100½	98½
Ruddy Co., E. L.	6½%	1948	70	73	68
St. Lawrence Flour	6%	1941	102	...	102
Shawinigan Cotton	6%	1949	91	...	88
Simpsons Ltd.	6%	1949	98½	100	98½
Smith, Howard	5½%	1953	95½	97	95
Steel Co. of Canada	6%	1940	108½	...	108½
Stop & Shop	6%	1947	89	...	88½
Toronto Carpet	6%	1944	99½	...	99½
United Amusement	6%	1942	89½	...	89½
United Corpns.	5%	1953	75	78	74½
United Gas & Fuel	5½%	1948	89½	91½	87½
United Grain Growers	5%	1948	84	...	83½
Wabasso Cotton	6%	1947	99	...	99
Wabasso Cotton	7%	1942	100	...	100
Woods Mfg.	6%	1943	86	...	86

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Acme Gas & Oil	...	2c	Nov. 15	Oct. 31
Belding-Corticelli, com.	4%	1%	Nov. 1	Oct. 15
Beatty Bros., pref.	6%	1½%	Nov. 1	Oct. 15
Can. Dredge, pref.	7%	1¾%	Nov. 1	Oct. 19
Canada Northern Power, com.	$1	25c	Oct. 25	Sept. 29
Can. Industries, com. A	$4	$1	Oct. 31	Sept. 29
Do., com. B	$4	$1	Oct. 31	Sept. 29
Canadian Bronze	60c	15c	Nov. 1	Oct. 19
Do., pref.	$7	$1.75	Nov. 1	Oct. 19
Canada Iron. pref.	$3	$1.50	Nov. 15	Oct. 31
Calgary Power, pref.	6%	1½%	Nov. 1	Oct. 15
Can. Converters	$2	50c	Nov. 15	Oct. 31
Can. Invest. Fund, spec. & ord.	...	3½c	Nov. 1	Oct. 15
Dome Mines	$2	50c	Oct. 20	Sept. 29
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Guar. Co. of N. Amer.	$6	$1.50	Oct. 15	Sept. 30
Do., extra	$10	$2.50	Oct. 15	Sept. 30
Hollinger Gold Mines	65c	5c	Nov. 5	Oct. 19
Do., extra	...	5c	Nov. 5	Oct. 19
International Nickel. pref.	7%	1¾%	Nov. 1	Oct. 2
Imperial Bank	$10	$2.50	Nov. 1	Sept. 29
Kirkland Lake Gold	...	*3c	Dec. 1	Nov. 1
Macassa Mines	...	*5c	Nov. 1	Oct. 15
Montreal L. Heat & Pr. Cons.	$1.50	37c	Oct. 31	Sept. 30
McIntyre-Porc. M.	$2	50c	Dec. 1	Nov. 1
Northern Ont. Power	$2	50c	Oct. 25	Sept. 29
Do., pref	$6	$1.50	Oct. 25	Sept. 29
Penmans	$3	75c	Nov. 15	Nov. 5
Do., pfd.	$6	$1.50	Nov. 1	Oct. 22
Russell Motor, pref.	5%	1¼%	Nov. 1	Oct. 20
St. Lawrence Flour	$2	50c	Nov. 1	Oct. 20
Do., pref.	$7	$1.75	Nov. 1	Oct. 20
Southern Can. Power, com.	80c	20c	Nov. 15	Oct. 31
Simpsons, pref.	...	$1	Nov. 1	Oct. 20
Simpson, Robt., pref.	$6	$3	Nov. 1	Oct. 16
Steel of Canada	$1.75	43¾c	Nov. 1	Oct. 9
Do., pref.	$1.75	43¾c	Nov. 1	Oct. 9
Teck Hughes	40c	10c	Nov. 1	Oct. 10
United Gold Equities	10c	2½c	Oct. 25	Oct. 15
Weston, Ltd., pref.	7%	1¾%	Nov. 1	Oct. 20

* Initial.

Dividend Rate Reduced—
Teck Hughes Gold 60c. to 40c. per annum, Nov. 1.

Dividend Rate Increased—
Steel of Canada, com., from 30c. to 43¾c. quarterly, Nov. 1.
Canadian Industries, com. A and B, $3.50 to $4 per annum, Oct. 31.
St. Lawrence Flour, com. from $1.50 to $2 per annum, Nov. 1
Russell Motor Car, pref. $4 to $5 per annum, Nov. 1.

Listed Bond Quotations

Week Ending October 15, 1934

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1934 High	Low
Mtl. L.H. & P. debs.	3	1939	3.73	47	47½	47	47½	43
McNish	6	1948	...	3.00	2.75	...	4.25	2.75
Nat. Ser. Loan	5	1941	3.52	108½	108.55	...	110.75	108.55

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Toronto)
October 16, 1934

Industrial Stocks:	Bid	Asked
Acadia Sugar com.	2.80	3.10
Acadia Sugar pfd.	4.50	5.00
Allens London pfd. bonus com.	36.50	....
Allens St. Cath. pfd. bonus com.	36.50	....
Allens Toronto pfd. bonus com.	28.00	....
Andian National	37.50	39.00
Atlant. Sugar pfd.	91.50	93.00
B. C. P. & P. pfd.	11.00	12.50
Burns pfd. bon. c.	2.25	2.85
Can. Dom. Sugar	44.50	45.50
Can. Machy com.	1.25	1.85
Can. Packers com.	38.00	39.50
Can. Packers pfd.	102.00	103.00
Can. Starch com.	12.50	....
Can. Starch pfd.	85.00	....
Canada Tea pfd.	46.00	55.00
Can. W. & Cable pfd. WW	59.00	....
Can. Indust. A	170.00	....
Can. Indust. B	171.00	173.00
Can. Indust. pfd.	141.00	142.50
Can. Westinghouse	48.00	50.00
Chase pfd. bon. c.	23.50	25.00
Dom. F. & Steel c.	7.25	8.00
Dom. F. & Steel p.	65.50	70.00
Dom. Manuf. pfd.	71.00	....
Dom. Woollens c.	1.50	2.00
Dunlop Tire pfd.	70.00	73.00
East. Dairies pfd.	7.00	9.00
Federal Grain c.	2.00	....
Federal Grain p.	20.50	23.00
For. Power Sec. p.	7.00	9.50
Freiman pfd.	56.00	60.00
Gen. Stl. Wares p.	28.25	30.00
Goderich Elevator	5.25	6.00
Greening Wire pf.	70.00	73.50
Guardian Realty p.	10.00	....
Guelph Carpet p.	88.50	91.00
Guelph Carpet c.	11.00	12.50
Harding Carpets Units	29.50	32.00
Hayes Wheels pfd.	....	9.00
Highland Dairy c.	3.50	4.00
Highland Dairy p.	67.00	70.00
Inter City Bak. c.	17.00	19.00
Int. Met. Indust. p.	30.00	34.00
Inter. Paints pfd.	11.50	13.50
Loew's London p.	3.75	4.25
Maclaren Pwr. c.	16.50	....
Mans. Theat. pfd.	26.50	28.50
Massey-Harris pfd.	17.00	18.00
Mt. Royal Hotel p.	1.50	2.00
Nat. Grocers com.	4.05	4.35
Nat. Grocers pfd.	112.00	117.00
New Method Laund. pfd. bonus	53.00	....
Niag. W. Weav. pf.	37.00	....
Para. Kitchener p.	38.00	....
Para. Oshawa pfd.	46.00	....
Perfection Pete p.	14.00	17.00
Prov. Paper pfd.	84.50	86.00
Reliance Gr. pfd.	59.00	....
Rob. Cons. Cone	7.50	8.25
Rolland Paper c.	8.50	10.00
Rolland Paper pfd. WW	76.00	78.00
Ruddy pfd.	9.50	....
Standard Fuel pfd. bonus	96.00	....
Supersilk H. pfd.	50.00	57.00
Supertest Pet. B p.	23.50	26.00
Thayers com.	5.50	6.00
Thayers pfd.	37.00	38.00
West. Grain p. bon.	4.00	6.00
Wood, A. & J. pfd.	24.50	....

Insurance Stocks:	Bid	Asked
British America	32.50	....
Canada Life	435.00	460.00
Canadian Fire	58.00	61.00
Confed. Life 20% pd.	122.00	125.00
Cont. Life 20% pd.	36.00	39.00
Crown Life	102.00%	....
Dominion Fire	96.00	....
Dom. Life 50% pd.	181.00	....
Dom. Can. Gen.	100.00	105.00
Emp. Life 25% pd.	9.35	10.25
Excel. Life 30% pd.	76.50	80.00
Fed. Fire 25% pd.	38.50	....
Guar. of N. A. fully pd.	210.00	....
Guar. of N. A. 20% pd.	41.00	....
Great West Life	360.00	380.00
Imperial Life	290.00	....
Manufac. Life	225.00	235.00
Mon. Life 10% pd.	18.25	21.50
Nat. Life 25% pd.	52.00	....
Sov. Life 25% pd.	12.00	14.00
Sun Life	340.00	370.00
West. Assur. com.	30.00	35.00
West. Assur. pfd.	34.00	....
West. Empire Life	....	15.00
West. Life 20% pd.	8.50	12.00
Trust & Loan Stocks:		
Chartered Trust	67.00	70.00
Lond. & West. Tr.	....	37.00
Premier Trust	86.00	90.00
Sec. Loan & Sav.	98.00	....
Sterling Trust	....	45.00
Traders Fin. B. pf.	46.00	52.00
Trusts & Guar.	36.00	40.00
Vic. Tr. & Sav.	120.00	127.00
Waterloo Tr. & Sa.	79.00	83.50
Investment Trust Shares:		
Can. Gen. Invest.	5.20	5.35
Can. Investors	3.65	5.75
Can. Int. Inv. Tr. Units	20.25	....
Can. Invest. Fund	3.25	3.45
Cons. Div. Standard Sec. Units	10.25	11.50
Debent. & Sec. p.	21.50	....
Dom. & Anglo Inv. Units	171.00	....
Dom. Scottish Inv. Units	21.50	23.00
Inv. Found. Units	35.00	36.50
Sec. Holding Units	9.50	12.00
United Corpns. A	10.25	11.00
United Corpns. B	2.75	3.25
Power Issues:		
Calgary Power pf.	88.50	90.50
Can. L. & P. com.	20.00	21.50
Can. W. Nat Gas L.H.&P. pfd.	92.00	93.00
Great Lakes P. pf.	40.50	....
Marit. T. & Tl. pf.	12.75	13.75
N. B. Tele. com.	9.75	11.00
N. S. L. & P. com.	42.50	45.00
N. S. L. & P. pfd.	88.00	91.50

Recent London Quotations:

Brit. Col. Tele., pfd.	$105
Brew. & Distillers	3s.
Canada Company	7s. 6d.
Can. & For. Secs.	4s. 6d.
Can. Collier $1 com.	3d.
Do., pref.	$10
Can. N. W. Land	£1
Can. West. Lumber	1s. 9d.
Hudson's Bay	27s. 6d.
Do., pref.	111s. 3d.
Im. Tob. (Can.) 6% pfd.	27s. 6d.
Trust & Loan	3d.

Dominion and Provincial Bonds

Quotations furnished by A. E. Ames & Co., Toronto
October 17, 1934

Dominion of Canada Bonds

			Bid	Asked	Approx. Yield
*†Dominion	5	1 Mar., 1937	107.25	107.65	1.74
†Dominion	5½	1 Dec., 1937	108.80	109.20	2.37
Dominion	5½	1 Nov., 1934	100.00	100.40	...
Dominion	3½	15 Oct., 1935	100.75	101.25	2.15
Dominion	4	15 Oct., 1935	101.50	102.00	2.00
Dominion	5	15 Nov., 1936	104.20	104.70	2.65
Dominion	4	15 Oct., 1939	103.90	104.40	3.05
Dominion	4½	1 Sept., 1940	106.00	106.50	3.26
Dominion	5	15 Nov., 1941	108.65	109.00	3.55
Dominion	5	15 Oct., 1943	109.75	110.25	3.65
Dominion	4½	15 Oct., 1944	106.00	106.50	3.72
§Dominion	4	15 Oct., 1943-45	102.00	102.50	3.67
Dominion	4½	1 Feb., 1946	106.00	106.50	3.80
§Dominion	4	15 Oct., 1947-52	101.75	102.50	3.75
§Dominion	4½	1 Nov., 1946-56	105.65	106.15	3.85
§Dominion	4½	1 Nov., 1947-57	105.65	106.15	3.89
§Dominion	4½	1 Nov., 1948-58	106.20	106.50	3.89
§Dominion	4½	1 Nov., 1949-59 (with talons)	106.20	106.50	3.92

Dominion Guaranteed Bonds

			Bid	Asked	Approx. Yield
xCan. Nat. Ry.	4½	1 Sept., 1951	108.00	108.50	3.81
*Can. Nat. Ry.	4½	1 July, 1957	107.25	107.75	3.97
Can. Nat. Ry.	5	1 Feb., 1954	112.25	112.75	4.04
xCan. Nat. Ry.	4¾	15 June, 1955	111.25	111.75	3.93
xCan. Nat. Ry.	4½	1 Feb., 1956	108.75	109.25	3.87
xCan. Nat. Ry.	4½	1 Dec., 1968	104.00	104.50	4.25
§xCan. Nat. Ry.	5	1 Oct., 1969	113.50	114.00	4.00
§xMontreal Harbor Cm.	5	1 Nov., 1969	114.25	115.25	3.94

Provincial Government Bonds

			Bid	Asked	Approx. Yield
*Alberta	4½	1 Oct., 1956	93.50	95.50	4.83
Alberta	6	1 Mar., 1947	103.50	105.50	5.39
*British Col.	4½	1 Oct., 1953	92.50	94.50	4.95
British Col.	5½	1 Feb., 1945	98.00	100.00	5.50
British Col.	6	15 Feb., 1947	100.00	102.00	5.77
xManitoba	5	2 Dec., 1959	101.00	103.00	4.79
Manitoba	5½	1 Oct., 1955	101.50	103.50	5.22
Manitoba	6	1 Apr., 1947	103.50	105.50	5.39
*N. B.	4¾	15 Apr., 1960	105.50	106.50	4.34
N. B.	5	2 July, 1963	111.00	112.50	4.24
N. B.	5½	15 May, 1950	110.50	112.00	4.45
N. Scotia	4½	15 May, 1943	103.75	104.75	3.84
*N. Scotia	5	1 Mar., 1960	110.00	112.00	4.23
xOntario	4	1 June, 1962	101.50	102.50	3.86
xOntario	4½	1 Sept., 1944	106.50	107.50	3.60
Ontario	4½	1 June, 1950	105.50	106.50	3.95
xOntario	5	2 Dec., 1960	115.25	116.25	4.00
Ontario	5½	1 July, 1946	113.00	114.00	4.02
§Ont. H. C.	3½-4-5	1 Oct., 1952	97.00	98.00	4.07
xOnt. H. C.	4	1 Aug., 1957	101.00	102.00	3.87
Ont. H. C.	4¾	1 Jan., 1970	109.50	111.00	4.16
Quebec	4¼	1 Aug., 1958	104.25	105.25	3.91
Sask.	5	1 Aug., 1958	93.00	95.00	5.37
*Sask.	5	1 Nov., 1959	93.00	95.00	5.36
Sask.	5½	1 Oct., 1952	98.00	100.00	5.50
Sask.	6	15 Mar., 1952	100.50	102.50	5.77

Municipal Bonds

			Bid	Asked	Approx. Yield
*Calgary	5½	2 June, 1944	87	92	6.60
*Edmonton	5½	1 Nov., 1945	88	93	6.40
*Halifax	5	1 July, 1961	109	110½	4.34
Hamilton	5	1 May, 1950	108½	110	4.12
Montreal	5	1 Mar., 1945	100	101½	4.82
Ottawa	4½	1 July, 1945	103½	105	3.93
*Quebec	5	1 June, 1959	101½	103½	4.76
Regina	5	1 July, 1944	75	85	7.12
St. John	5	15 Dec., 1950	105½	108	4.32
*Toronto	4½	1 Jan., 1955	106	108½	3.89
Victoria	5	21 July, 1945	91	96	5.49
Winnipeg	5	1 Mar., 1944	97	99	5.13

† Tax exempt issues. * Payable in Canada and New York.
§ Yield at call price.
x Payable in Canada, New York and London.

Winnipeg Stock Exchange

(Transactions from Oct. 7 to Oct. 13)

Div. rate in $	yield in %		Sales	High for period	Low for period	Close Oct. 13
..	..	Forty-Four	45	14.25	14.00	14.00
..	..	Gold Lake	5,100	.45	.38	.45
..	..	Gabrielle	1,000	.82	.79	.79
..	..	Island Lake	1,500	.07	.06	.07
..	..	Long Lac Adair	1,000	.10	.10	.10
..	..	Kingfisher	8,600	.26	.20	.24
..	..	Do., Units	1	140.00	140.00	140.00
..	..	Ore Grande	8,500	.10½	.08	.10½
..	..	Do., Units	2	80.00	80.00	80.00
..	..	Oxford Lake	325	3.00	2.75	3.00
..	..	Reliance Grain, pfd.	10	56.50	56.50	56.50
..	..	Rice Lake Units	54	13.00	11.50	13.00
..	..	Smelters Gold	200	.24	.24	.24
..	..	Vanson Manitoba	700	.33	.31½	.32
..	..	Wingold	500	.33	.32	.32

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Fire	..	100	Pelissiers, com.	.25	..
Beaver Lumber, c.	3	3½	Pelissiers, pref.	..	23
Beaver Lumber, pf.	..	63	Sov. Life 25% pd.	..	14
Canadian Fire	55.00	..	Traders' Bldg.	60	..
Crescent Cream. pf.	..	25	Can. Amer. Tr. sh.	2.45	2.70
Great West Life	370.00	..	Can. Inv. Fund	..	3.45
Home Investment	20	..	Fundament. Ser. A	3.85	4.40
North. Mtg. part pd.	..	5	Fundament. Ser. B	3.60	..
Northern Trust	..	15	Grouped Inc. shs.	..	3.95

* Stocks more active on other exchanges not included.

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Ross Acquires Control of Saint John Dry Dock

From Our Own Correspondent

MONTREAL—Frank M. Ross has become president of the Saint John Drydock and Shipbuilding Co., following on a deal whereby he secured control of the company through the acquisition of the interest of James Playfair, who had been president of the company since its organization in 1918.

Frank G. Wilson, of Saint John, formerly general manager of Saint John Drydock, succeeds Mr. Ross as vice-president, with the additional position of secretary-treasurer. Charles N. Wilson, also of Saint John, has been made a director and manager, while H. E. Josselyn, former chief accountant and office manager, becomes assistant treasurer.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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Commodity Exchange Initiates Dealings in Silver Futures

Clearing Systems Foundation Goes Back To Medieval Markets

Important Function Performed by Commodity Clearing House

CLEARS CONTRACTS

Guarantees Members' Contracts — Protects Against Loss in Event of Failure

Key Silver Man

Photo Blank-Stoller

J. A. SCHMAUDER

Secretary-treasurer of the Canadian Commodity Clearing Association, which handles all contracts made on the Canadian Commodity Exchange Inc. Mr. Schmauder has had extensive experience in New York futures marketing operations and is largely responsible for the technical details of the new Canadian organization.

Just as the medieval fair was a prototype of the commodity exchange, so in these ancient markets appear the rudiments of a clearing system, Julius B. Baer, co-author of "Commodity Exchanges," relates in that volume. With the growth of commerce, a means of offsetting debts among merchants became as necessary to the fair as the fair had been indispensable to the economic life of the people.

"The markets of the Middle Ages achieved their greatest growth in the twelfth and thirteenth centuries and it is toward the end of this period that an efficient clearing system is found at the fairs of Lyons. Settlement days were established after each of the four fairs held during the year."

Offset Debits and Credits

Clearing houses for the offsetting of debits and credits among banks have long been established institutions in the banking field. A commodity exchange clearing house bears the same relationship to the commodity exchange that the financial clearing house bears to the banks. But it goes several steps further. It clears not only money accounts but contracts. During the course of a day's work on the exchange, a broker executes many contracts of purchase and sale. Some of his sales will probably be to a member from whom he has bought other contracts, and since the purpose of an exchange is to facilitate business, it would be as idle to insist upon actual delivery between members of an exchange as it would be to compel the banks to carry to each other's banking house the actual money called for by the cheques severally received by each upon the other.

Eliminate Ring Settlement

Before the days of the modern clearing house, brokers were accustomed to settle their trades with one another by direct settlement and rings. The cumbersome method of ring settlement has now been replaced by settlement through clearing associations. Instead of forming rings or making direct settlements, and sending clerks from commission house to commission house to make payments and collect differences, all transactions are now passed through the clearing house as an intermediary. Members no longer deal with each other after the trade across the ring has been made and the contract slips have been exchanged. The member dealers with the clearing association, which assumes the contracts of every member as against every other.

Independent of Exchange

The modern clearing association is usually a corporation separate from the exchange and independent of it. It is usually a stock corporation, whose stock may be sold only to exchange members. Its business is under the management and supervision of a board of directors and officers. Its sole purpose, however, is to act as a central clearing agency for exchange members. Every member of the exchange is privileged to become a clearing member, subject to his compliance with certain conditions. These conditions generally include:

1. The purchase of one or more shares of stock of the clearing house corporation.
2. The deposit of a substantial sum of money in the guaranty fund of the association.
3. Agreement by contract to clear all trades through the clearing association.
4. The agreement to abide by the by-laws and rules of the clearing house and all amendments.

Firms having a partner who is an exchange member, and a stockholder in the clearing house, may enjoy clearing privileges on the same terms. On the Canadian Commodity Exchange where corporations are accorded recognition, they may obtain clearing privileges upon compliance with all the foregoing conditions, and in addition posting an individual or surety bond.

Takes Over Contracts

All clearing members are required to file reports with the clearing association at the close of each day's business. Upon filing these reports, all contracts made between clearing members are deemed to be assumed by the clearing association, which thereupon becomes the buyer from every seller and the seller to every buyer. The clearing association assumes the contract. It becomes the other party to every contract cleared by a member.

In addition to these reports, the clearing association recapitulation sheet is required. This is a recapitulation of the purchase and sales reports and a tabulation of the clearing member's contract position on all trades for all months. On these positions are based the figures which indicate whether a cheque or draft must accompany the daily report. As an example: If a member has a long position and the settling price (as posted by the clearing association at the close of each session) is lower than the settling price on the previous day, he must pay the clearing association the difference between the two prices for each contract he is long with the clearing association. If he were long, and the settling price were higher than the previous day, he would draw upon the clearing association by draft.

Guard Against Loss

The operation of the clearing house, in addition to facilitating the clearing of trades, is designed to guard against the remotest possibility of loss. When it stands in the shoes of the buyer, bound to fulfill his contract with the seller, and in the shoes of the seller, obligated to fulfill his contract with the buyer, it requires from each of its members a money deposit for each contract cleared, and not offset in an amount sufficiently large to provide it with full insurance against any loss. For every contract listed by the clearing member on the report made to the clearing house (and not offset), there must be posted with the clearing house a deposit, the amount of which is prescribed by the rules of the clearing house and is known as original margin. The Canadian Commodity Clearing Association by-laws call for an original margin of $600 on each contract for silver futures.

Original margins must be maintained upon a straddle position, but the requirement is less than that fixed for a net position. A straddle position is one where a long position in one delivery month is balanced by a short position in another.

Establish Guaranty Fund

It would appear from the foregoing that the clearing house has ample protection by original and variation margins against losses. These deposits, however, form only one element ment in an impregnable financial bulwark. Before an exchange member may become a clearing member, he must contribute to the guaranty fund. When the deposit has been made, it cannot be withdrawn by the member until nine months after he ceases to be a clearing member and all his fixed and contingent liabilities have been liquidated. Throughout the period of his membership, it stands as his share in the underwriting of the financial stability and integrity of the organization which is assuming and guaranteeing all contracts which it clears.

Still another financial resource of the clearing house, and one which is continually augmented, is the surplus which is accumulated from fees charged for clearing the contracts. In comparison with the services which the clearing house renders, the fees are small; but small fees paid on many contracts cleared by all clearing members every business day of the year amount to impressive totals.

The surplus fund stands as a financial guaranty, but it has never been necessary in the history of any clearing house to draw upon it; consequently, in time the income from the surplus fund may become sufficient to meet the major part of the operating expenses, a factor which in itself operates to keep the clearance fee at a nominal figure.

Clearing House Strength

These elaborate safeguards indicate sufficiently the impregnable strength of the clearing house. The financial resources in the guaranty fund and the constantly growing surplus are strong; the right to call for margin deposits is the greatest possible insurance against drastic losses. With these elements of strength, it is not remarkable that no loss has ever occurred where recourse to the guaranty fund or surplus has been necessary. Failure of members has occurred from time to time, but the original margins on deposit have invariably been sufficient to absorb market differences and protect the clearing house against loss. Nor is the financial solidity of benefit merely to the clearing house as an institution. With the safeguards it provides, it is not only impossible for the clearing house to lose, but no clearing member can suffer loss through default on the part of another member.

Prompt Margin Calls

Should there be a substantial price fluctuation during a session of trading, members may be called upon to meet these fluctuations by certified cheque to be delivered to the clearing association within one hour after the time of the call.

In the course of a day's trading on the Canadian Commodity Exchange, in November, a broker sells five contracts of silver for delivery in May. During all of the months that follow, the seller does not offset his contract by a purchase, and May arrives with the seller bound to deliver 50,000 ounces of silver. The seller has the option of making de-

(Continued on page 12)

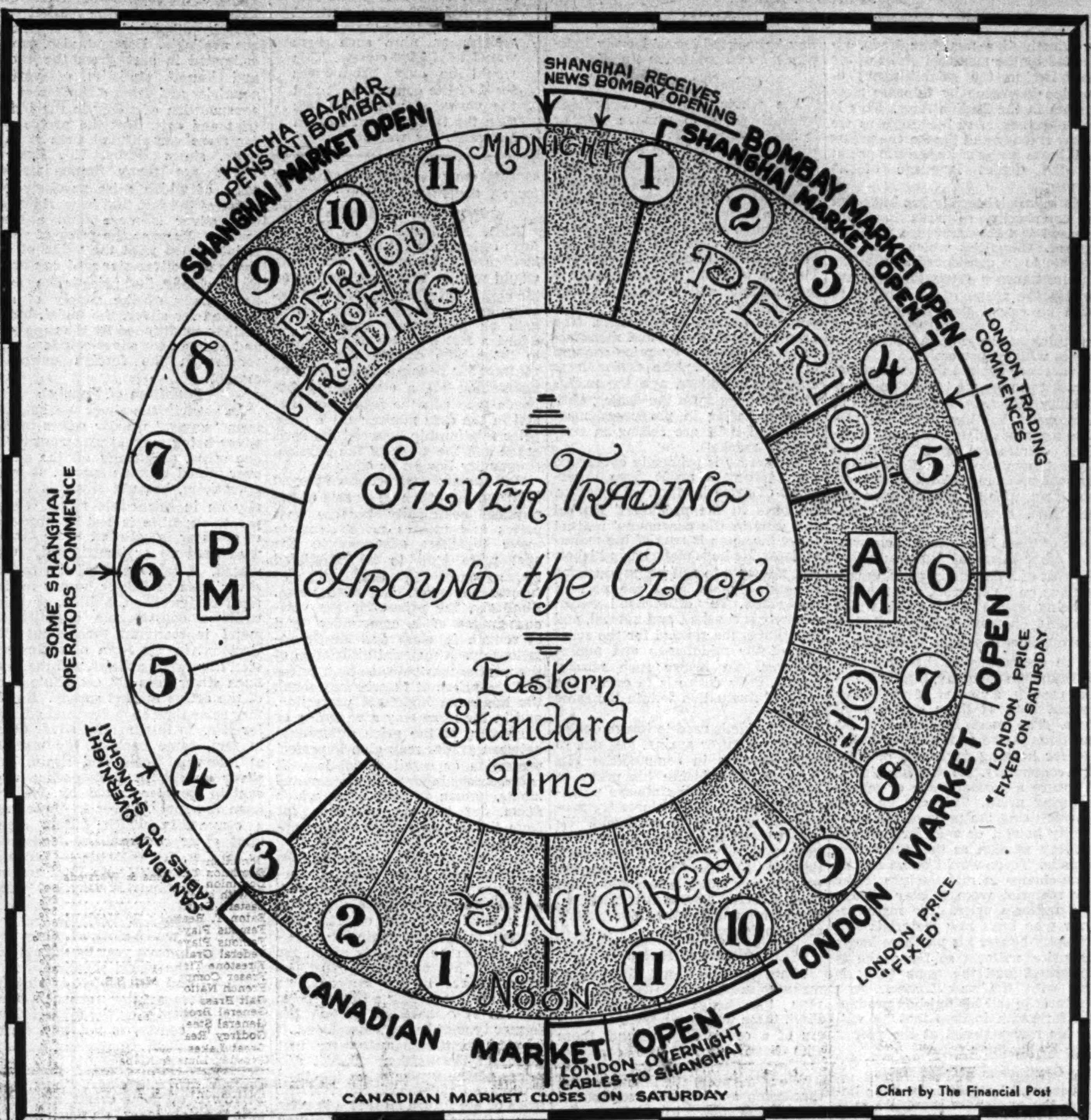
Post Will Continue Service on Silver

With the inauguration of Canadian Commodity Exchange, Inc., Canada becomes the focal point on the North American continent in the handling of the world-famous commodity—silver.

In this special supplement The Financial Post describes the functioning of this new trading institution and tells the story of what this new development will mean to Canada.

In subsequent weeks The Post will continue to give its readers a complete, authoritative service on silver and will publish a regular department covering news and views on this commodity with a complete quotation service week by week. If you are interested in silver this new service will give you first-hand coverage on this new national venture.

Silver Trading Goes On Night and Day


SILVER TRADING AROUND the CLOCK
Eastern Standard Time
MIDNIGHT
NOON
AM
PM
PERIOD OF TRADING
PERIOD OF TRADING
SHANGHAI RECEIVES NEWS BOMBAY OPENING
BOMBAY MARKET OPEN
SHANGHAI MARKET OPEN
LONDON TRADING COMMENCES
OPEN
LONDON PRICE "FIXED" ON SATURDAY
LONDON MARKET
LONDON PRICE "FIXED"
CANADIAN MARKET OPEN
LONDON OVERNIGHT CABLES TO SHANGHAI
CANADIAN MARKET CLOSES ON SATURDAY
CANADIAN OVERNIGHT CABLES TO SHANGHAI
SOME SHANGHAI OPERATORS COMMENCE
KUTCHA BAZAAR OPENS AT BOMBAY
SHANGHAI MARKET OPEN
1
2
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7
8
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10
11

Chart by The Financial Post

The first silver market to "awaken" in the day is Shanghai. Some Chinese traders receive overnight cables from London as early as 7 a.m. (The cables may convey simple news of the preceding day's closing price in those markets, or perhaps orders to be executed in China). On the basis of those cables the trade initiates business with interior cities, and in some cases can have replies before the opening of the Shanghai market around 9.30 a.m.

When it is 9.30 in Shanghai it is 7 o'clock in Bombay, and enterprising Bombay operators commence digesting the cables which have accumulated overnight. The opening afternoon prices are sent from Shanghai by urgent message in time to reach the Bombay market between 11 a.m. and noon.

Meanwhile, the Shanghai market is in full swing. Cable orders which have arrived from London, New York and Bombay overnight are executed and the exchange market is busy. The banking hours among foreign exchange banks in Shanghai are about the same as elsewhere, with the exception of a 2-hour period for "tiffin" (lunch), from noon to 2 p.m. Business on the important gold-bar exchange in Shanghai, however, is not interrupted during those two hours. By the afternoon opening in Shanghai orders sent from Bombay earlier in the day (7 or 8 a.m., Bombay time) commence to arrive.

When the Shanghai exchange banks are winding up the day's business at 5 p.m. and when it is 2.30 p.m. in Bombay, it is 9 a.m. in London. By the time London opens (9.30 to 10 a.m. Greenwich time) news of the Shanghai closing and the Bombay afternoon market is under way. Foreign-exchange business in London commences, swelled by overnight cables from America, and by cables sent the same day from China and India.

The bulk of London's silver business awaits the "fixing," around 2 p.m. London time. When this price is announced and the cabled news received in India, it is about 7.30 in Bombay. There the Bombay bullion exchange and the kutcha bazaar are already closed.

The London fixing occurs half an hour before trading can begin in Montreal. Thus the London price will be known in Montreal before the opening. When it is 9.30 a.m. in Montreal and 2.30 p.m. in London, it is 8 p.m. in Bombay. During the season of daylight saving it is only 7 p.m. in Bombay. At such time it will be possible for Bombay traders to cable orders for execution in Montreal during the morning trading and confirmation in Bombay the same night. By the afternoon in Montreal, trading with London and Bombay is limited to overnight cables.

Thus, the silver market encircles the globe, and each important centre—Shanghai, Bombay, London and Montreal—in turn plays its part in making the price of silver.

Montreal, Toronto, New York Governors of Exchange

G. W. NICHOLSON | J. C. CUPPIA | F. Y. KEELER | J. R. DONALDSON | MAURICE FORGET | J. D. HERDT

H. J. CHILD | L. S. COLWELL | F. S. MATHEWSON | GRANT JOHNSTON | H. C. MACDOUGALL | P. R. GARDINER

Montreal photos by Blank-Stoller

Pictured above are 12 of the 15 members of the board of governors of the Canadian Commodity Exchange Inc. Toronto governors shown are P. R. Gardiner and G. W. Nicholson and the New York representatives are J. C. Cuppia and F. Y. Keeler. The other eight governors shown are all Montrealers. F. S. Mathewson is vice-chairman of the board and Grant Johnston is treasurer. Chairman D. S. McMaster is shown elsewhere in this issue. Governors Gordon Taylor, of Toronto, and H. A. Vogelstein, of New York, are the other members of the board.

Canadian Commodity Exchange Opens Way For Trading "Futures"

Heads Exchange

Photo Blank-Stoller

D. S. McMASTER

Chairman of the governing committee of the Canadian Commodity Exchange Inc., which opens for silver futures trading on October 22. Mr. McMaster is also chairman of the Montreal Stock Exchange.

Wide Scope is Embraced in Set-up of New Market

START WITH SILVER

International Backing of Exchange Promises Well for the Future

Following passage of the Silver Purchase Act and the nationalization of silver for monetary purposes in the United States, trading in silver futures in New York ceased and the way was opened for the formation of an exchange in Canada to bridge the gap between London and the Far Eastern markets.

For many years Canada has figured prominently among the world producers of silver and also ranks high as a consumer of the white metal. But dealings in this commodity were effected through the then recognized channels, trading exchanges in the Dominion confining their activities to securities and grain.

Opportunity Was Presented

When New York dropped out of the picture, members of the Montreal Stock Exchange felt that the opportune time had arrived for the setting up of a market in Canada for dealing in silver futures.

Preliminary investigations into the marketing of silver and dealing in futures was conducted with a view to seeing whether or not such an exchange in this country could serve a useful purpose. It did not take long to come to the conclusion that there existed a definite need for a silver futures market in this country.

Organize Silver Market

Members of the Montreal Stock Exchange approved the idea and preparations were then made for setting up the necessary machinery. A Quebec charter was taken out incorporating the Montreal Silver Exchange Inc. under the sponsorship of the Montreal Stock Exchange. Then followed the formation of the Montreal Silver Clearing Association.

Before continuing the further developments centring around the silver futures market, it might be well to examine the sponsorship of the new exchange. For more than 80 years the Montreal Stock Exchange has been an important cog in the Canadian financial field. From 1872 until the early part of 1926, the Stock Exchange was the only trading association in Montreal. Then it brought into being the Montreal Curb Market to deal in securities not listed in any department of the Montreal Stock Exchange and to provide a primary market in securities prior to their being listed on the senior exchange.

In the more than 80 years of existence the Montreal Stock Exchange has come to wield an important influence in the buying and selling of Canadian securities. Its soundness and integrity were assurance that the newly formed Montreal Silver Market would have the best of sponsorship.

Demand for Membership

When the skeleton of the new silver market had been set up, applications were received for membership. Seats on the Silver Exchange were reserved for allocation to members of the Montreal Stock Exchange and Montreal Curb Market. In addition there were a number of other seats for "outside" members.

The response to the invitation to become members of the Montreal Silver Exchange was such as to indicate most clearly that there was soundness in the idea of forming a silver future market in this country. Applications were received not only from Montreal brokers, but from individuals or firms in Shanghai, London, Paris, New York, Toronto, Buffalo, Vancouver and other points.

Widening of Interest

The idea of a silver futures market was not confined to Montreal, for interests in Toronto were equally alive to the possibilities. In view of the great interest in mining securities in that centre, it was advocated

(Continued on page 13)

Name Officials of Clearing Body For Exchange

Officers of the Canadian Commodity Clearing Association, which will handle the business originating on the Canadian Commodity Exchange Inc., were elected early this week.

Harold J. Child is president of the Clearing Association and J. A. Hodgson is vice-president. Other directors of the Clearing Association are as follows: H. C. MacDougall, Russell Cowans, A. S. Beaubien, J. R. Ballantyne, M. C. Oswald, L. P. Beaubien and L. S. Colwell. All are Montreal men.

J. Schmauder has been appointed secretary-treasurer of the Association with C. G. G. Wallace as assistant treasurer.

BAER OUTLINES FIVE FUNCTIONS NEW EXCHANGE

Advisory Counsel Shows Aims of Commodity Exchange

Economic function of the futures exchanges, such as incorporated in the newly created Canadian Commodity Exchange, is divided into five main categories. These are outlined by Julius B. Baer, co-author of "Commodity Exchanges," and advisory counsel of the exchange, as follows:

1. **The insurance function:**
   - (a) The exchange provides a broad market;
   - (b) The exchange provides a continuous market;
   - (c) The machinery of the exchange provides a means of offsetting and protecting spot transactions by contra purchases or sales of futures.
2. **The financing function:**
   - (a) A continuous market and the ready transferability of commodities by means of warehouse receipts give the commodity a high degree of liquidity;
   - (b) Liquidity of the commodity is an encouragement to larger loans by bankers, and it is a safeguard to the banker;
   - (c) Ability to finance commodities readily enables dealers and manufacturers to operate successfully on smaller profit margins.
3. **The price registration function:**
   - (a) Joinder of markets by wire and cable focusses all price influences on the commodity exchange;
   - (b) All futures markets are thus linked together and made one broad market;
   - (c) The presence of a large volume of speculation ensures that every known influence bearing upon prices will be given weight;
   - (d) Interpretation of news by dealers, manufacturers, and traders assures a degree of anticipation of future events that would not otherwise be possible.
4. **The informative function:**
   - (a) The exchanges gather and make public statistics of supply, transportation and demand, useful in estimating price changes;
   - (b) The daily record of prices informs all interested not only of present prices but of the anticipated future trend;
   - (c) On the basis of future quotations, dealers and manufacturers are enabled to make their purchases and sales with a high degree of certainty.
5. **The regulatory function:**
   - (a) Exchanges regulate speculation and provide for its conduct along orderly lines;
   - (b) Exchanges' standards of inspection, weighing, and grading contribute to certainty in the trade.

China Imposes 10% Export Tax As Silver Rises

China has been suffering a drain of silver and deflation of its general price level in conjunction with the recent advance in the world price of silver bullion. The result has been serious economic depression.

So seriously is the situation viewed in China that the nationalist government recently gave notice of its position to the world in general and the United States in particular by placing a 10 per cent export tax on silver. It was pointed out over a year ago in The Financial Post that the Chinese Government was opposed to American schemes "to do something for silver" and Uncle Sam's manoeuvres to "improve the purchasing power of the Orient" appear to be having the unfortunate effects foreseen in China.

Chinese efforts are expected to continue to be directed against undue influence to raise the price of silver. In Europe there appears to be some sympathy with the Chinese attitude. In the United States, however, the political forces of the silver boosters appear to be strongly organized for maintenance of the present price for the metal.

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Hedging Is Protection For Commodity Users Insures Trade Profit

Stabilizing Price of Commodity Bought or Sold for Forward Delivery When Transaction Made Helps Industry

HEDGE IS EFFICIENT FORM OF INSURANCE

Minimizing of Fall and Rise in Prices Made Possible Through Continuous Market Provided by Exchanges Dealing in Basic Commodities

By JULIUS B. BAER

(In "Commodity Exchanges," published by Harper & Brothers)

Growth of a maritime trade, attended by the manifold perils of the sea, led to the establishment of marine insurance by Genoese merchants in the Middle Ages. This is the oldest form of insurance as we know it today and the marine policy still bears traces of its historic origin in the quaint language of its clauses.

As industrial society has increased in complexity, so risks have increased and the insurance field has spread. Casualties which were too remote to be considered as subjects for insurance a generation ago are within the realm of probability to such an extent that prudent merchants and manufacturers would not think of carrying on their enterprises without protection.

Insurance against the peril of fire is old; but now we have employers' liability insurance, the outgrowth of employers' liability laws; hail insurance, plate glass insurance, accident insurance and protection against explosions, theft—whether by robbers from without or defaulters from within. Credit risks are insurable. Every one of these subjects of insurance may occasion loss; none of them is so likely to occur as two other forms of business risk—the risk of a decline in price, entailing loss on inventories, and the risk of being unable to sell goods which are held on manufacturers' shelves

Exchange Provides Protection

The commodity exchange is not an insurance company, but its facilities provide a means of protection against both of these ever-present risks. The most important of its functions is the provision of facilities for hedging purchases or sales of a commodity. Its sole function is to insure a normal trade or manufacturing profit. This can be done by stabilizing the price of the commodity bought or sold for forward delivery as soon as the transaction is made. There would be no risk of price change in manufacture if the raw material were to stay always at a uniform price. The manufacturer who buys raw materials and promptly hedges his purchase keeps the price uniform so far as he is concerned, and the same thing is true with the manufacturer who contracts to sell his finished product and forthwith insures that he will get his raw material at the proper price by buying a future.

Continuous Market Helps

Successful hedging is possible because the exchanges provide a continuous market and a solid market. In any market where prices might be subject to a great change, hedging would be difficult. If a market were so thin that a single large order influenced the price, the placer of a hedge would operate always under a handicap. Because prices change constantly but in small graduations, and because futures markets focus so large a volume of trading that large operations exert little influence on price, the hedge can be used successfully. The fact that the market is continuous is, futhermore, an insurance against the risk of unsold inventories of raw materials.

Operation of the Hedge

A hedge is "a sale or purchase of a contract for future delivery against a previous purchase or sale of an equal quantity of the same commodity or an equivalent quantity of another commodity that has a parallel price movement, and where it is expected that the transaction in the contract market will be cancelled by an offset transaction at the time the contemplated spot transaction is completed and before the future contract matures." The hedge, then, entails the use of the futures contract on a commodity exchange as a means of offsetting the trade transaction.

Hedging in Flour

It may be helpful to trace a typical hedging transaction. A flour miller makes a contract in July to deliver 5,000 barrels of flour in December. His contract is in reality a short sale of flour. He will need the wheat in November. At the time he makes the contract for the sale of the flour, he buys five December futures contracts through a commission house which is a member of the Chicago Board of Trade or the Winnipeg Grain Exchange or the Minneapolis Chamber of Commerce.

In the interval between the time when the contract for the sale of the flour is made and November when he will need the wheat to make the flour, the price of wheat rises two cents a bushel. When November is at hand, he purchases the wheat of the quality and grade he desires. He loses two cents a bushel by reason of the advance in the price of wheat during the intervening four months; but at the time he obtains his wheat, he closes out his hedge transaction by selling the December future. He has made a profit of two cents per bushel on his exchange transaction. This profit balances his loss on the purchase of the cash wheat and insures him his milling profit on the manufacture and sale of the flour at a small cost of ¼ of a cent per bushel for commissions.

The hedge is employed in like manner by those who buy commodities in order to protect themselves against a fall in the price. The elevator which buys 5,000 bushels of wheat will protect itself by selling a future contract for a like amount; then if the price of wheat declines while there will be a loss on the sale of the wheat which goes to a terminal market, there will be a corresponding profit when the hedged transaction is closed by an offsetting purchase. In the words of Dr. Emery: He has made two equal and opposite transactions, and if the price moves either way he loses on one and gains on the other. In this way he makes himself largely independent of speculative fluctuations.

Object of the Hedge

The whole purpose of hedging transactions is to remove risk or to minimize risk. It is this purpose which has caused the hedge to be likened to insurance. Business men are careful to insure against such casualties as fire, employers' liability, explosion, and other contingencies which, while possibly remote, contain the possibility of great loss to anyone who suffers the casualty. The risk inherent in price change is less remote and sometimes more devastating than any of those properly defined as casualties. The profits of both dealer and manufacturer are affected by price changes in two markets. The dealer buys from the producer, and the manufacturer buys from the dealer; both are purchasing in producers' markets, and both are selling in consumers' markets.

The trader is primarily concerned with getting a profit from differences of price in different markets. He buys in the producers' market and sells in the consumers' market sense the same is true of the manufacturer. He buys material and labor, and attempts to sell his product for something more than the cost of production. This difference between markets is constant and normal, and constitutes the reward for the services of the middleman and manufacturer. To insure such normal profits, their desire is to escape the risks of fluctuation within the same market.

The hedge is used to insure dealer or manufacturer against loss due to price changes in commodities. Its purpose is to insure his profit or commission, it being always an integral part of the business transaction in which it is employed. Its object is not to return a speculative profit for the reason that any profit derived on the futures merely equalizes or offsets a loss which has been incurred on a cash transaction. The cash trade and the futures trade are complementary.

Classes of Hedge

There are two broad divisions of manufacturers and dealers who employ the hedge for protection. First, those who are buyers or owners of a commodity; second, those who have entered into contracts for the forward sale of the commodity or a product manufactured therefrom, and who at the time of making the contract do not own the commodity to be delivered or necessary for the manufacture of the goods. The hedge is employed by both classes for the same purpose; the procedure is merely reversed to fit the case. The owner of a commodity is "long" of the physical grain, cotton, rubber or silver. He obtains his protection by a short sale of an equivalent amount in the futures market. The dealer who contracts ahead, or the spinner or miller who contracts ahead for the sale of a commodity or its products prior to ownership, is "short" in the trade market. He protects his position by the purchase of a futures contract on an organized exchange for an equivalent amount.

Degree of Protection

While the hedge is an efficient form of insurance, it is not complete insurance. Complete insurance would require that profit or loss on the cash transaction be balanced exactly by the corresponding loss or gain on the futures contract. To afford a full measure of protection to those who employ the futures contract for hedging, there must be maintained (1) a close parity between prices in the futures market and in the cash market; (2) a close price relationship between the basis grade and the grade of the physical commodity bought or sold.

The futures contract is employed to hedge the purchase or sale of the physical commodity because spot prices and futures prices tend to move together; advances in the spot price tend to be paralleled by advances in the price of futures contracts, and vice versa. Similarly, the prices for the various grades of a commodity tend to remain in close and steady relationship. A material dislocation of the relationship between spot prices and the prices of futures may make the hedge an imperfect protection, and in the same way a widening or narrowing of the price differential between grades may give imperfect protection or entail actual loss. It is these risks inherent in price movements, known as basis risks, which make the hedging operation far from the simple matter it may appear.

The manufacturer employs the hedge in two ways. When he acquires supplies of his raw material, he sells futures in the endeavor to rid himself of the risk of price fluctuation in his raw material inventory. When he contracts ahead for a sale of his finished product, he buys futures in the endeavor to guard against paying a higher price for his raw materials. When the former type of hedge is employed, it is vital to the manufacturer that prices of the finished product and prices of the future move together. If they do not—specifically, if the price of the future rises to a greater extent than the price of the finished product, the hedge will be imperfect because the manufacturer will lose more on his hedging transaction than he gains because of the advance in the finished goods markets.

From the manufacturer's standpoint, the effectiveness of the selling hedge as protection may be influenced by the proportion which the raw material cost bears to the total cost of the manufactured article.

When Hedging is Needed

It is not only possible, but it is a matter of actual occurrence, that a firm dealing in a commodity may have its purchases and sales in exact balance. When this occurs, there is, of course, no necessity for hedging. Being long and short equivalent amounts, the firm's trade position is in itself a perfect hedge. It is only the excess of sales which requires hedging. Thus a hedger who owns or has contracted to buy 75,000 bales of cotton and who has contracts for forward delivery amounting to 65,000 bales has a net long interest of 10,000 bales. It is this net long interest which the dealer will protect by the sale of futures of an equivalent amount. As this net long interest increases, further hedges by offsetting sales will be made; and as the interest may be reduced, the hedges will be closed to an amount sufficient to bring them in balance with the smaller net long interest of the dealer.

Futures which are bought or sold as hedges are covered in the vast majority of cases by an offsetting futures sale or purchase. Delivery is exceptional. This is a normal condition and in line with the purpose of the hedge.

Hedge Protects Banks

It is true in the commodity trades, as in the mercantile community at large, that the character and soundness of the borrower are of prime importance; but granted these essentials are satisfactorily met, the borrower of good credit rating is able to obtain loans to a much higher proportion of the value of his commodity if it has been hedged than if it has not been hedged. In England the bank customarily requires any commodity which represents the security for a loan to be hedged, while credit is readily procurable on hedged commodities. All unhedged stock is considered a speculation. Thus the hedge limits the risk and removes to a large extent the speculative uncertainties of the commodity price. The hedge is advocated by the bank for its own protection. Its employment is an aid to the borrower by increasing his borrowing capacity and reducing the amount of his own capital which is tied up in each lot which he purchases.

One further phase of the influence of the hedge upon financing requires mention. The fact that speculative risk may be largely removed enables the manufacturer and dealer to work upon a much narrower margin of profit than would be possible if they were compelled to carry highly speculative risks. As it is axiomatic that profit sought is commensurate with the risk assumed, so it is true that the lower the cost may be reduced, the narrower will be the necessary profit margin.

The primary purpose of the hedge has been shown to be insurance against the risk of wide price fluctuations. The insurance is obtained by offsetting a purchase or sale in one market—the cash market—by a sale or purchase in the futures market. The protection may approximate complete insurance if prices of spots and futures maintain an exact relationship from the time the hedge is placed until it is closed; or it may be imperfect if there is a dislocation of the relationship. Whether perfect or imperfect, the speculative risk is minimized. A further value of the hedge to the merchant or manufacturer lies in the increased borrowing power which is given him against his holdings of the raw material and the consequent lower margin of profit upon which he can work. Viewed from the standpoint of the bank, security of the loan on a hedged commodity is increased, for the hedger has made the transaction "independent of speculative risk."

Silver Trading Unit Place at 10,000 Ozs.

A "board lot" in trading in silver futures on the Canadian Commodity Exchange has been determined at 10,000 ounces. It had been the intention to make the unit of trading 5,000 ounces, because of the unwieldiness of the 25,000-ounce contract used while trading was conducted in New York. It was found that the 10,000-ounce unit would be more suitable as the vast bulk of silver now in existence and potentially available for trading has been poured into bars which average about 1,100 ounces in weight. It is thus possible to make a 10,000-ounce contract with a reasonable variation in weight, as nine such bars would total 9,900 ounces. This would be only 100 ounces short of the contract unit and the variation would be less than the two per cent margin allowable for weight.

"Ticker" Will Carry Silver "Futures"

"Ticker" fans will have a new series of letters to become familiar with when the Canadian Commodity Exchange commences operations. Early next week the ticker will carry fluctuations in the value of silver futures. In order to designate transactions clearly code letters have been devised covering futures for each of the twelve months, though trading in the current month is obviously for "spot" purchases. Each month must have a ticker abbreviation, however, and the following have been decided upon by the Exchange:

January	YF	July	YN
February	YG	August	YQ
March	YH	September	YU
April	YJ	October	YV
May	YK	November	YX
June	YM	December	YZ

Branded Silver Required Against Contract Delivery

Only branded silver refined in Canada, the United States or Mexico will be good for delivery against Canadian Commodity Exchange silver contracts.

At present the Exchange has approved the names of 12 producers, whose silver bars from 17 different refineries will be accepted against contracts.

The names of the producers, the location of their refineries and the mark or description on silver follow:

Producer	Refined at	Mark or Description for Bar List or Vault Receipt
Canadian Copper Refineries	Montreal East, P.Q.	CCR
American Smelting & Refining Co.	Perth Amboy, N.J.	Perth Amboy and/or A S & R Co
	Baltimore, Md.	Baltimore and/or Ber.
	Selby, California	Selby
	Monterey, Mexico	Asarco
American Metal Co.	Chrome, N.J.	DRW and/or Chrome
	Monterey, Mexico	Penoles
Ontario Refining Co.	Copper Cliff, Ont.	Orc
U. S. Smelting Refining & Mining Co.	Pachuca, Mexico	R Del M and/or Pachuca
	East Chicago, Indiana	USSCo
Anaconda Copper Co.	Raritan, N.J.	UMSCo and/or Raritan
Irvington Smelting & Refining Works	Irvington, N.J.	ISR
Consolidated Mining & Smelting Co.	Trail, B.C.	Trail
Bunker Hill & Sullivan Mining & Concentrating Co.	Kellogg, Idaho	Bunker Hill
Nipissing Mining Co.	Cobalt, Ontario	NMC and/or Nipissing
Sociedad Afinadora de Metales	Mexico, D.F.	SAM and/or Mexico
United States Metals Refining Co.	Carteret, N.J.	DRW

The weight of individual Mexican bars must be shown on the bar list, in kilos, the total also in kilos converted into ounces.

On the invoice and vault receipt covering Mexican bars only the total weight need be shown in kilos and converted into ounces.

Supply and Demand Determine Silver Price

Number of Times Silver May be "Consumed" Unlimited

Since the price of a commodity is determined by the interplay of supply and demand, it might be of interest to tabulate these factors in the price of silver. To some extent this could be done; but only approximately. For example, the annual output of newly mined silver can be measured with some degree of accuracy, and fairly reliable estimates of the supplies of silver which have been put on the market each year by other holders of the metal are available. Demand, also, can be estimated in part—from the export and import statistics of various countries and from estimates of the consumption of silver in the industries and arts. But the problem is far more complicated than it may seem, states Herbert M. Bratter. There are many imponderables, some of which arise precisely because of the fact that in world economy silver is more than a commodity. Because the price of silver is intensified with the value of exchange on silver-standard countries, China chiefly, that price is the result not merely of the supply of and demand for silver, the metal, but is further conditioned by the supply of and demand for silver-standard currencies in the foreign exchange market.

Definition of Supply

As used in the silver market, the term "supply" usually refers to the silver being currently marketed. In one sense, practically all the silver ever mined by man supply, at least potentially, because silver is virtually an indestructible metal. Comparatively little is lost in abrasion of coins or is believed to be otherwise used up or irretrievably misplaced. A large part of the mined silver rests in Asiatic hoards in the form of jewellery, bullion, or coin, while a considerable quantity of metal is scattered throughout the Occident in the form of table service, decorative articles, and the like. Such silver does not constitute part of the active market supply. But it may some time be melted and offered for sale. In this manner silver does, in fact, come back to the market at intervals, again and again; the silver quarter in one's pocket may contain metal wrested by Pizarro from the Incas. Silver is, therefore, a commodity which differs from most other commodities—foodstuffs or textiles, for example — because there is practically no limit to the number of times it may be "consumed."

Supply is Variable

With the world stock of silver being added to each year by the output of mines, the world stock of silver, "visible" and "invisible," is clearly many times greater than the new supply currently on the market. The latter, of course, is not any fixed quantity, but varies from time to time, as will be explained. In 1931, for example, the new silver estimated to have been sold on the world market was about 196,000,000 troy ounces. Old silver, obtained almost exclusively from melted coin, and physically transported from a seller to a buyer at least once during that year, added an estimated 60,000,000 ounces. Silver recovered from industry and the arts is not estimated. The total of the two figures just mentioned indicates that actual metallic silver to the amount of probably 256,000,000 ounces changed hands one or more times during 1931. There is no available method of calculating the total sales involved in handling this silver—that is, the turnover. A single lot may have changed in ownership many times.

"Invisible" Silver Important

If it is impossible to calculate total sales involved in the marketing of the new production and demonetized metal, it is equally impossible to keep track of what for convenience may be termed the "invisible" silver constantly being bought and sold—that is, of the foreign exchange transactions of silver-standard countries. The "invisible" silver is an important factor in the silver market. For example, when a Chinese importer of motor cars pays his bill by selling Shanghai taels in order to buy gold dollars, he is adding to the supply of silver on the world market every bit as much as is the Mexican mine owner when he ships his bullion to the United States. China, one of the few silver standard countries of importance, annually imports several hundred million dollars worth of merchandise. That means the invisible supply of silver on the market is increased by that amount; and, just as in the case of the physical metal annually marketed (where the actual metal may be sold again and again), so in the case of this "invisible" supply—foreign exchange—there are sales and resales. In other words, a small group of active Chinese exchange speculators may greatly augment the volume of transactions in the silver market by buying and selling, rebuying and reselling, silver bullion or exchange between silver-standard or gold-standard countries. Total purchases and sales of all kinds in the silver market are thus obviously impossible of determination.

As already stated, certain of the elements of supply and demand in the silver market can be estimated with fair accuracy. These include, on the supply side, new production and sales of melted coin and, on the demand side, the silver imports of oriental countries, the consumption by occidental arts and industries, and world coinage of the metal.

CLEARING SYSTEMS FOUNDATION GOES BACK TO MEDIEVAL MARKETS

(Continued from page 11)

livery at any time during the month. On May 5, he elects to deliver and he issues five transferable notices, one for each contract sold. The clearing house is the recipient of the notice. The delivery day will be the third business day succeeding the date of the notice; that is if the notice were issued on a Monday, the silver would be deliverable on Thursday unless a holiday intervened. If it were issued on Friday, the silver would be deliverable on the following Tuesday.

The transferable notice price is the settlement price established by the clearing house at the end of each day. The price established for the last business day preceding May 5 would be the one inserted in this notice.

Transferable Notices

When the transferable notices are delivered to the clearing house, it ascertains from its books the names of those clearing members who are long of silver and distributes the notices among those clearing members who are long of May silver. A clearing member who does not intend to take delivery of the silver, will, as soon as the transferable notice is received, sell a May contract on the floor of the exchange and will immediately deliver the transferable notice to the buyer. Each person to whom the notice is passed by sale has one-half hour in which to sell it. The silver is in the warehouse ready for delivery, and the time limitation is designed to bring the contract as soon as possible into the hands of a buyer who wants the silver. On the form of notice which has been given, there is a space for endorsement and a column noting the time when the notice was received. Each seller endorses the notice as he passes it on. If it remains in the hands of any party for longer than half an hour, he automatically becomes the acceptor of the delivery. The notice may not circulate for more than one day. It reaches finally a buyer who desires delivery. He is said to "stop the notice." Until final payment and delivery of the warehouse receipt, both buyer and seller must maintain their margin position in the clearing house.

Limit Net Interest

A rule is usually found in every clearing association limiting the net interest of a clearing member, his interest in any one month, and his straddle interest. Thus the net interest of a member of the Canadian Commodity Clearing Association is limited to 600 contracts, while his interest in any one month may not exceed 400 contracts. This affords a further safeguard against losses caused by squeezes, which might be large in extent if there were no such limitation.

Clearing House Advantages

The advantages of the modern clearing houses may be summarized from the standpoint of their convenience to the clearing member. By process of the daily report, clearance and settlement, each member (1) reduces the number of contracts on which he must maintain margins; (2) clears his contracts in each day of every month, leaving him only buyer or seller of the net amount which is not offset; (3) brings all his contracts up to the market daily, and (4) substitutes the clearing house as a buyer on every contract which he has sold and as a seller on every contract which he has bought. The clearing house effects a saving on clerical labor, a saving in the use of credit, and a simplification of contract relations.

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Visible Silver Usage Far Below Supplies

Total Supplies on Market Up 25 Per Cent in 1933

Visible consumption of silver dropped sharply in 1933. Of the 273 million ounces coming on the market, only 109.7 million ounces could be accounted for by consumption. In 1932, 210.8 million ounces were placed on the market and consumption of 154.9 million ounces was evident.

Mine production of silver decreased slightly in 1933 because of low production of base metals of which silver is a by-product. Part of "unaccounted for" silver supplies is believed to have been absorbed in speculation in 1933.

Consumption is expected to show a marked increase in 1934, chiefly due to absorption by the United States government and by other governments under the London silver pact of 1933.

Total supplies of silver coming into world markets increased by nearly 25 per cent in 1933, compared with 1932. Due chiefly to reduced demand from India, and to sales from China, consumption fell far short of absorbing the total supply in 1933. The net result was that there was 163.3 million ounces, or almost 60 per cent, of the supplies coming on the market in 1933 unaccounted for, according to estimates made by Handy & Harmon, New York bullion dealers.

Oriental Consumption

Most of the world's annual silver production is ordinarily imported into India and China, largely for hoarding. In 1933, China was actually estimated to have exported 15,000,000 oz. of silver net, as against imports of 40,000,000 oz. in 1932 and 59,000,000 in 1931. Apart from sales by the Indian government, India was a net consumer of silver to the extent of 10,000,000 oz. in 1933, compared with 12,000,000 in 1932, and 57,000,000 in 1931.

Estimates of available supplies of silver and consumption of the metal prepared by Handy & Harmon, are shown below:

World Silver Supplies and Consumption
(In millions of fine ounces)

Production:	1933	1932
Mexico	69.1	69.6
United States	21.4	24.0
Canada	15.4	18.3
South America	13.5	12.8
Other countries	43.6	39.0
Total production	163.0	163.7
Other Supplies:		
Demonetized coin:		
Indo-China	....	10.0
Russia	45.0	12.1
Near East	....	1.0
Sales by India:		
A/c British war debt	20.0	....
In London	30.0	24.0
Sales by China, net	15.0	....
Total supplies	273.0	210.8
Consumption:		
China, net imports	....	40.0
India, net imports & prod.	10.0	12.0
Germany, net	14.5	22.8
Coinage:		
Mexico	16.0	24.6
Germany	....	20.0
Cuba	....	2.8
Jugoslavia	....	.5
Belgium	7.0	....
Turkey	4.5	....
U. S. A. a/c war debts	22.7	....
a/c coinage	2.0	1.2
Arts and industries:		
U. S. and Canada	24.0	22.0
Great Britain	8.0	8.0
Mexico	1.0	1.0
Unaccounted for	163.0	55.9
Total consumption	273.0	210.8

Industrial Consumption

Industrial consumption of silver in the United States and Canada is estimated to have increased about 2,000,000 oz. in 1933 over 1932. More of the metal is used in the manufacture of silverware than in any other industrial product, and the increase in such consumption for this purpose is estimated at from 12 to 15 per cent. This increase was fairly evenly spread over sterling silver flatware, hollow ware, and silver plate. North Americans apparently stocked up on tableware because of low prices.

Another major industrial use for silver is in photography for the manufacture of film. It is estimated that some 6,000,000 oz. of silver is used in photography in Canada and the United States in a year. Silverware probably absorbed over twice as much as this. This would include knives, forks, spoons, platters, trays, and so on. Considerably smaller quantities are absorbed for dental products and jewellery. Other important industrial uses are for chemical equipment and for special alloys for brazing and soldering.

Explanation of Changes

The severe decrease in consumption in India is attributed partly to smuggling of supplies into the country and partly to a comparatively small export trade balance.

Economic depression and reduced commerce in China, combined with internal warfare and banditry, are held responsible for the net sales of silver by China in 1933.

Russia is now one of the important factors in marketing silver due to demonetization. The Soviet is replacing silver coins with subsidiary nickel pieces, and is estimated to have placed 45,000,000 oz. on the market in 1933.

German imports for coinage purposes fell away in 1933, from the high level in 1932 which was due to a 1931 decrease authorizing an increase of 50 per cent in metallic currency. Mexico bought silver in 1933 to be coined into pesos, but on a smaller scale than in 1932. Coinage of silver token money in Belgium and Turkey are reflected in 1933 consumption figures.

Indian Supplies

The Indian government was an important factor in the supply, making 20,000,000 oz. available to the British government for payment on its war debt to the United States. It also sold 30,000,000 oz. in London, compared with 24,000,000 oz. in 1932. Under the London silver agreement, its annual sales will be limited to 35,000,000 oz. per annum for the next five years.

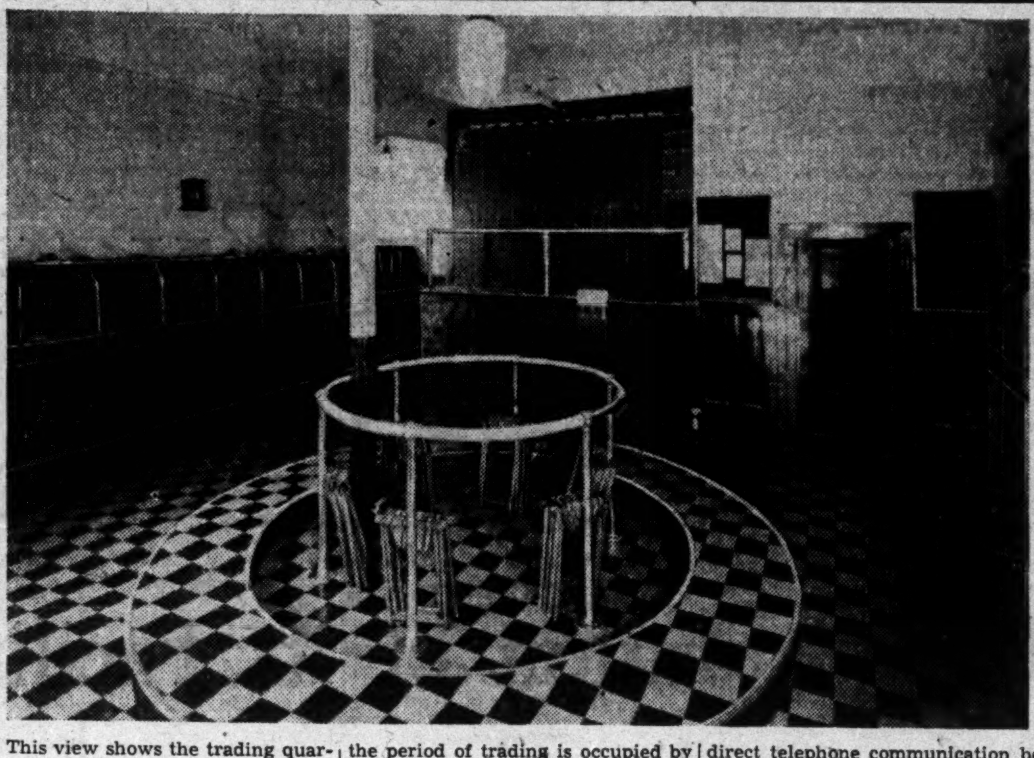
Speculation in silver in 1933 in anticipation of some action by the United States to improve the status of the metal may explain a substantial amount of the 163.3 million ounces unaccounted for in the estimate of consumption in 1933. Such speculative silver could be held in vaults throughout the world.

Stocks At Shanghai

While stocks of silver at Shanghai have increased to the enormous total of over 400,000,000 ounces, this is understood to have been due to a draining of silver from interior points rather than importations from abroad. Nervousness over banditry and civil warfare in China is reported to be the chief cause for the flow to Shanghai.

While the London silver agreement of 1933 and the 1934 nationalization of silver in the United States are designed to create an artificially higher price for silver, authorities feel that the metal's position will not be satisfactory until economic conditions are more stabilized in India and China. Once these countries are enabled to build up export balances, it is anticipated that they will resume their heavy annual consumption of silver.

Nerve Centre of Canada's Silver Market



This view shows the trading quarters of the Canadian Commodity Exchange in a building adjacent to that occupied by the Montreal Stock Exchange. In the centre can be seen the "ring" around which trading members make their bids or offers on silver futures. Just behind the ring is a small desk which during the period of trading is occupied by a clerk who calls the bids and offers and records transactions. To the rear is a large board which carries the quotations on silver futures. It is divided off into 12 sections, each section representing a month of the year. Around the walls are a number of telephone booths providing direct telephone communication between the trader and his office. From this room also originates quotations on silver futures which are carried over an elaborate wire system throughout Canada and the United States and by cable to London, Bombay, Shanghai and other financial centres.

Select Depositaries To Store White Metal

Depositaries for silver that will move in and out of Montreal in increasing quantities as trading broadens, have been designated by the Canadian Commodity Exchange. Six Montreal corporations will handle this important work, including Canada Cold Storage, Montreal Trust Co., National Trust Co., Royal Trust Co., Trust Generale du Canada, and Barclays Trust Co.

The blocks or bars of silver weighing approximately 1,000 ozs. each will be deposited in the vaults of these companies awaiting instructions from the seller or buyer. A nominal charge is made for the space taken up in the vault by the silver in storage. This charge varies with the length of time which the metal is kept in the vault.

CANADIAN COMMODITY EXCHANGE OPENS WAY FOR TRADING "FUTURES"

(Continued from page 11)

that Toronto also should have a silver futures market.

Thus both Toronto and Montreal interests were working to the same end. Obviously there was a conflict of interests, as the possible volume of trading in silver futures in this country did not warrant more than one market. Steps were taken to bring the two groups together, it being the opinion of all parties that a stronger organization would be possible through the merging of interests.

Approve Single Market

With the major idea of a single market approved, meetings were held with New York, Toronto and Montreal parties represented, to decide upon details. These were amicably settled and a new organization came into being to take the place of the Montreal Silver Exchange.

Form Commodity Exchange

Using the Montreal Silver Exchange as a nucleus, the various parties interested in commodity dealing formed the Canadian Commodity Exchange Inc.

As its name implies the new organization has a much broader scope than the original Montreal Silver Exchange. For the time being, of course, the Commodity Exchange will deal only in silver futures. This is only the start, however, for it is hoped that when the organization is complete, other commodities will be dealt in. Already suggestions have been put forward as to possible products which would be suitable for dealing in on a future basis. While all efforts at the moment are being concentrated on building up an effective silver futures market, it is more than likely that other products will be dealt in as time goes on.

Create Clearing House

Allied with the Canadian Commodity Exchange is the Canadian Commodity Clearing Association Inc., which will operate in conjunction with the Exchange and handle the contracts of the members. Each member of the association has to deposit a sum of $5,000 in the guarantee fund. This fund represents the amount on deposit by the members as an underwriting of the financial stability and integrity of the organization which is assuming and guaranteeing all contracts which it clears.

Expect Large Membership

Expectations are that the membership of the Canadian Commodity Exchange will number between 250 and 300 when completed At the time of merging of interests there were nearly 120 members in the Montreal Silver Exchange. These memberships were automatically transferred to the Commodity Exchange. In addition there are 113 members of the Toronto Stock Exchange and a number of associates who are eligible for membership. The number of clearing association members is indeterminate at the moment, but there will likely be more than 20.

Silver Traders Rarely Handle White Metal

Visitors who drop in to see the Canadian Commodity Exchange in operation may be disappointed at the lack of "samples." Unlike other exchanges, such as wheat, cotton, barley, silk, rubber, etc., the quality of silver is determined by official assay so that the trader in silver knows exactly what he is buying or selling. If the visitor wants to see silver in "bullion" form, however, it will be necessary to secure a permit to visit the vaults of the officially-appointed depositaries.

The silver of a fineness of 999 is received for deposit in bars weighing approximately 1,100 ounces each in weight. Thus it is possible to combine such bars to make a 10,000 ounce contract with a reasonable variation in weight—the variation being less than the 3 per cent margin allowable.

The silver is held by the depositaries on the order of the owner. If it becomes necessary to ship the silver to London, Shanghai or Bombay, it is a simple matter to give the necessary instructions as to the method of shipping, insurance, etc. Accordingly it is seldom that the trader in silver ever actually comes into contact with the metal in which he is dealing. His interest lies solely in "contracts," or pieces of paper calling for the delivery of the metal at a stipulated time.

Britain, Canada Fixed Top Silver Price in 1918

Due to the high price of silver prevailing in 1918, and the need of the allied governments waging war against Germany for silver bullion, the United States Government prohibited the export of silver on August 19, 1918.

The Imperial Government took similar steps and fixed the maximum price for silver bullion at 49½ pence per ounce in 1918. One of the regulations under which silver could be exported from Canada provided that licenses for export were to be issued only where the silver was to be used for war purposes and only if the silver to be exported had been purchased at not more than $1.01½ an ounce. This was the equivalent of a fixed maximum price for silver in Canada at that time.

Silver Used in Plants Handling Foods, Chemicals

Silver is used extensively in chemical plants in the condensation and general handling of acetic acid. The use of silver is also spreading to other allied trades and to the food industry.

Fine silver stills and condensers and silver alloy taps and cocks are being generally employed to overcome many troubles experienced in the food and chemical industries.

Silver-Zinc Alloys Strong

Silver-zinc alloys containing 10 to 40 per cent of zinc have high mechanical strength. One of these alloys is of a pink color.

Silver Prices Lead Others

Changes in the price of silver in the last 20 years have preceded major changes in the level of wholesale prices in the United States. A comparison of the price of silver with wholesale commodity prices over the 20-year period shows a remarkable sympathy between the two.

EXCHANGE NAMES PERSONNEL TO ACT ON COMMITTEES

Prominent New York Silver Traders Make Up Advisory Group

Personnel of the various committees of Canadian Commodity Exchange have been determined, with representation on the various committees going to members in Montreal, Toronto, New York.

Douglas S. McMaster, chairman of the Montreal Stock Exchange, which has sponsored the organization of the commodity market, will act as its president and chairman.

Other members of the governing committee are: F. S. Mathewson, Montreal, vice-president; Grant Johnston, Montreal, treasurer; H. J. Child, J. R. Donaldson, L. S. Colwell, Maurice Forget, J. D. Herdt, H. C. MacDougall, of Montreal; P. R. Gardiner, G. W. Nicholson and Gordon Taylor, of Toronto; and J. Chester Cuppia, Floyd Y. Keeler and Hans A. Vogelstein, of New York.

In addition to the governing committee, an advisory committee, composed of men who have been prominent in the silver trading in New York, has been named. Irving J. Louis will act as chairman, and other members of this committee in that centre will be: Harold L. Bache, Floyd Y. Keeler, Jerome Lewine, Hugh W. Spaulding, J. Chester Cuppia, William S. Murphy and Hans A. Vogelstein.

The executive committee will consist of Messrs. Child, Colwell, Johnston, McMaster and Mathewson.

Working Committees Named

Commissions and Floor Committee: J. R. Ballantyne, Russell Cowans, J. D. Herdt. G. C. Liersch and H. C. MacDougall.

By-laws and Rules Committee: H. J. Child, Maurice Forget, Grant Johnston, D. S. McMaster, A. E. D. Tremain.

Admissions, Warehousing and Permits; Raymond Allan, Angus S. Cassils, J. R. Donaldson, J. A. Hodgson, F. S. Mathewson.

Committee on Quotations; Andrew S. Beaubien, Russel Cowans, J. R. Donaldson, H. C. MacDougall and J. D. Macpherson.

Public Relations Committee: L. S. Colwell, Maurice Forget and H. C. MacDougall.

G. P. G. Dunlop will act as secretary, while W. G. Anderson will be secretary to the board of governors.

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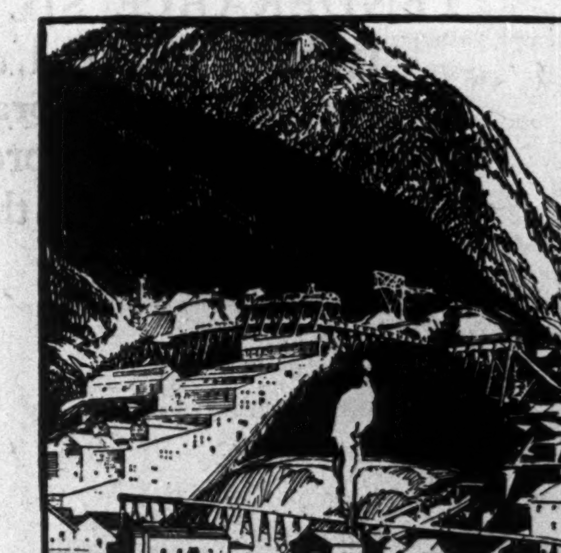

Developing Canadian Resources

Mines and waterfalls, forests and farm land, these hold Canada's basic wealth. Through industry and trade, the use of this natural wealth is made effective.

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CANADIAN COMMODITY EXCHANGE INC.

announces the formal
Opening and Inauguration of its Facilities
for trading in

SILVER FUTURES

Monday, October Twenty-Second
Nineteen Hundred and Thirty-Four

TRADING HOURS: 10.00 A.M. to 3.00 P.M.
Saturdays: 10.00 A.M. to 12 noon.

TRADING UNIT: 10,000 ounces.

PRICE CHANGES: Registered in multiples of one one-hundredth of a cent ($\frac{1}{100}$) per ounce. Fluctuation of a point, one one-hundredth of a cent is equivalent to $1. per contract; a fluctuation of a cent is equivalent to $100 on a contract.

PRICE LIMITS: The limit of fluctuation in any one session shall be three cents per ounce, above or below the previous closing price.

TENDERABLE SILVER: 999 fine silver in bars of usual commercial sizes, bearing one of the brands or markings on the official list approved by the Exchange. Weight tolerance three per cent over or under 10,000 ounces.

MONTHS TRADED: December, 1934, will be the first delivery month traded in and contracts for delivery in the nine succeeding calendar months will also be traded in. On and after November 1 trading will be in the ten succeeding months; on and after December 1, eleven months.

DELIVERY: May be made at any time during the delivery month at the seller's option, from a licensed vault or warehouse in the City of Montreal, Canada.

COMMISSION RATES: The lowest rate of commission which may be charged for the purchase or sale of a contract in silver shall be $9. when the price of silver does not exceed 40 cents per ounce, and when the price exceeds 40 cents per ounce, an additional $1. for each 10 cents or portion thereof.

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B.C. Silver

B. C. Silver Mines owns a silver property in the Salmon River section of the Portland mining division of British Columbia which has been inactive since May, 1931. Prior to that date considerable development work was done on the property, which adjoins that of the Premier Gold Mining Co., but no production was taken. The company is controlled by the British Canadian Silver Corp. which up to Aug. 31, 1933, had advanced the company a total of $848,545. The company has an authorized capitalization of $1,500,000 all of which has been issued. Premier Gold Mining Co. owns 38 per cent of the capital stock.

Silver in Varied Forms for Industrial Uses

Fine silver for commercial use is available in sheets of all gauges down to thin, transparent, hand-beaten foil.

Silver tubes of all diameters are available either in welded or seamless form. Silver is also available in the form of wire either rolled, or drawn, down to .0005 inch in diameter.

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White Metal Present In All Canadian Areas

Discovered In Varying Amounts Over Widespread Area

While the world silver situation has materially improved and the price of the metal is considerably higher than it has been for some years, the 1934 silver production of Canadian mines will show only a moderate increase over 1933 and this will be largely due to the increased production of metals with which it is mined in association. The announcement of the nationalization of silver by the United States was heralded by some as the dawn of a new heyday for the silver mining industry but it now appears that this action by the Roosevelt administration will have little immediate effect on output in Canada during the present year.

During the past week the price of the white metal has registered a substantial rise and indications are that it will go even higher. This augurs well for the future of silver producers in Canada, many of whom have been giving serious consideration to the reopening of their workings since the price of the metal reached the level of 50 cents an ounce. Should further price advances materialize many mines which are presently inactive will be brought into activity. It must be remembered, however, that several months of preparation would be necessary to bring these old producers once again into production.

Mostly By-product

The production of silver in Canada cannot be considered an individual industry. It usually occurs in ores which are mined primarily for other metals. Silver is of prime importance in the cobalt and nickel-arsenide ores of Northern Ontario and the radium-bearing ores of Great Bear Lake district, but occupies a minor position in the lead-zinc ores of British Columbia and Quebec, in the nickel-copper ores of Sudbury and the copper-gold ores of Northwestern Quebec. Gold deposits, both in alluvial and lode form, usually contain a certain amount of silver. In fact, it could be said of almost every metalliferous mine that it contains some of the white metal. It is found in greater or less amounts in every important mining area from the Atlantic to the Pacific.

B. C. Maintains Lead

British Columbia leads the provinces in the production of silver, being responsible in 1933 for 44.29 per cent of the output. The Pacific province has occupied first position since 1926 when she regained pre-eminence in the output of this metal from Ontario. In the early days of the mining industry in Canada, British Columbia was famed as a producer of silver, but lost her leadership in 1906 with the opening up of the Cobalt camp. Ontario is the second largest producing area, accounting for 29.84 per cent of the output. Yukon and Northwest Territories rank third with 14.76 per cent, and Manitoba fourth with 7.25 per cent.

Canada's production of silver in 1933 totalled 15,201,265 ounces, valued at $5,751,064 as compared with 18,347,907 ounces, valued at $5,811,081 in 1932. During the first six months of 1934, output was 7,890,440 ounces, an increase of 582,492 ounces over the corresponding period of 1933. Production for the period was valued at $3,551,093 in 1934 and $2,539,563 in 1933. British Columbia production during the first half of the year was 4,154,910 ounces as compared with 3,295,857 ounces in the first six months of last year.

Sullivan Greatest

In British Columbia, native silver rarely occurs. Almost all of the metal mined in the province is obtained from silver minerals associated with lead and zinc, or less frequently with copper or gold. The largest silver producers are mines in which the silver content is low and the metal of secondary importance, the high output being due to the large tonnage treated. The Sullivan mine of the Consolidated Mining & Smelting and Premier Gold Mining Co. are the largest producers.

There are any number of gold-silver properties in British Columbia which would be revived by a higher price for silver. In the Slocan area between Slocan and Kootenay lakes there are a number of lead-zinc-silver properties which could operate profitably with a good price available for silver. The silver values of the ore in this area are high. In 1928 there were six concentrators of a capacity from 50 to 200 tons operating in the district. In the same year 40 shippers in the vicinity produced over a million ounces of silver. At present none of the properties are producing, having been forced to close down by the depressed condition of the silver and base metal markets.

Ontario's Production

Ontario's silver production during the first half of 1934 was over 300,000 ounces higher than in the corresponding period of 1933, amounting to 2,642,037 ounces, worth $1,170,320 as against 2,303,668 ounces in 1933, valued at $760,879. The only silver mines actively operating in Ontario are those of the M. J. O'Brien Ltd., the Miller Lake mine in Gowganda and the Cross Lake mine in the Cobalt area. A number of properties, however, are being operated by lessees, shipments being reported by Hudson Bay Mining Corporation and Nipissing. Small scale operations are also being carried out at the Crown Reserve, Drummond, Foster, Timiskaming and Beaver properties. If the price of silver mounts higher these old properties will in all probability be further revived and other old workings will be reopened.

Manitoba Replaces Yukon

A good portion of the silver output of this province is derived as a by-product of gold and nickel mining. The total output of the metal from mines in Ontario in 1933 was 4,537,143 ounces, valued at $1,716,528. Of this amount the ores of Cobalt supplied 34.36 per cent and of Gowganda, 27.43 per cent. The nickel-copper ores of Sudbury yielded 22.62 per cent and the gold mines throughout the province nine per cent.

Manitoba, during the current year, will replace Yukon as the third largest producing area in the Dominion. During the six months ended June 30 the output of the former surpassed that of the latter by 51,732 ounces, totalling 450,289 ounces as against 398,557 ounces. In 1933 Yukon's production was 2,243,617 ounces while the mines of Manitoba produced 1,101,554 ounces. The decline in Yukon's production is largely due to depletion of ore reserves of mines operating in the Mayo district. In November, 1932, the Treadwell Yukon Co. shut down its Wernecke mill permanently after having been in operation since early in 1925.

Great Bear Lake

In the Great Bear Lake area Canada has a potential producer of considerable importance. While the deposits of silver in the district occur in lenses which are difficult to mine it is well within the realm of possibility that profitable operations could be carried on if the price of the metal were to rise still further. The low price of silver during the past few years has retarded the development of the discoveries in this area.

CON. MINING & SMELTING

See 1934 Revenue of $3,000,000 for Operators of Sullivan Mine

Canada boasts the largest silver producer in the British Empire. Though primarily a lead-zinc producer, the Sullivan mine of the Consolidated Mining & Smelting Company of Canada Ltd., which is located near Kimberley, B.C., produces more silver than any other metal mine operating in British territory. Incidentally the Sullivan is the largest lead-zinc mine in the world.

In 1933 the Consolidated Mining and Smelting Co. accounted for over 36 per cent of Canada's production of silver, the company's silver recovery amounting to 5,551,349 ounces while total production for the Dominion was 15,201,265 ounces. In the present year the company's silver output will be considerably higher than in 1933. During the nine months ended Sept. 30, ore from the company's mines gave a recovery of 5,567,355 ounces of the white metal as compared with 2,750,000 ounces in the corresponding period of 1933. If production continues at this rate until the end of the year, this year's output will be only 250,000 ounces short of the 1928 record when 7,673,762 ounces of the white metal were produced.

Revenue in 1934

While the output of silver is with the Consolidated Mining and Smelting only an auxiliary function, being an ancillary operation to the mining of lead and zinc, it nevertheless is an important factor in making profitable operation possible. In 1934 revenue from silver sales by the company will total over $3,000,000, and should the price of the metal mount to a higher level as result of the United States nationalization policy the company stands to benefit materially. On the basis of current production every increase of one cent per pound means additional annual income of over $70,000.

The improvement which was shown in the company's operations in 1933 over the previous year was partly due to the higher price of silver. The average price in 1933 was 37.8 cents per ounce as compared with 31.6 cents in 1932. The average price during the first half of 1934 was 45 cents and as a result further improvement is looked for in this year's statement. The mounting price for silver has helped to offset the effects of continued low prices for lead and zinc.

The company's financial statement for 1933 showed a very strong balance working capital position as at Dec. 31. Current assets totalled $14,389,149 while current liabilities were $3,348,555. The company has only one capital liability to the public, consisting of 651,475 common shares of a par value of $25 each. Net profit in 1933 amounted to $1,056,273, equivalent to $1.62 a share on the outstanding capitalization.

PREMIER GOLD

Company is Second Largest Silver Producer in British Columbia

Premier Gold Mining Co. is the second largest silver producer in British Columbia, accounting in 1933 for the production of 1,145,043 ounces. While its principal function is the production of gold the company has been a large producer of silver for many years, its output of this metal being larger than that of any other gold property in Canada. During recent years, due to depletion of ore reserves, the company's production of the white metal has been declining but in spite of this it remains second only to the Consolidated Smelters as a producer of silver in the Pacific province. In 1927 Premier's silver output was 3,396,082 ounces.

In addition to the Premier property, the company developed and operated in the past other gold-silver properties in British Columbia. The most important of these was the Prosperity group of claims adjoining the Porter Idaho property in the Portland Canal mining division. From the commencement of production in November, 1929 to April, 1931, when operations were suspended a total of 22,135 tons of ore were mined and shipped to the smelter, yielding a total of 526 ounces of gold and 1,720,846 ounces of silver. If the price of silver should continue to rise it is possible that this property would be reopened.

Dividends Since 1921

Premier has been a continuous dividend payer since 1921. During its more profitable years it adopted the policy of building up a capital surplus, depreciation and depletion account which has enabled it to continue dividends in excess of earnings now that production is reduced through depletion of its properties. The present dividend rate is 12 cents per share per annum. In 1933 bullion recovery amounted to $1,562,939, net earnings totalled $798,458 and net profit was $248,581. Dividend disbursements totalled $628,571.

The company's balance sheet as at Dec. 31, 1933 revealed a strong working capital position, current assets amounting to $2,002,488 as against current liabilities of $373,759. The company is capitalized at $5,000,000, the book value of which has been reduced to $2,977,803 by distributions to shareholders. Fifty-two per cent of the capital stock is held by American Smelting and Refining Co., Guggenheim Bros., M. C. Keith and Issac Untermyer estate.

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HUDSON BAY M. & S.

Accounts for Almost Entire Silver Production in Manitoba — Outlook Bright

Hudson Bay Mining and Smelting Co. accounts for almost the entire silver production of the province of Manitoba. Until this company brought its huge copper-zinc-silver-gold property at Flin Flon, on the Saskatchewan boundary, into production in October, 1930, the province of Manitoba was of little importance as a producer in silver. Since that time, however, due to increasing production by H. B. Mining and Smelting the province has continuously improved its position until in 1934 its production will in all probability rank third among the producing areas of the Dominion, surpassing that of Yukon which has previously held this rank.

As is the case with most of the large silver producers in Canada, the production of silver by the Hudson Bay Mining & Smelting is associated with the mining of other metals. The company's principal products are copper and zinc. Nevertheless the output of silver is an important factor in the company's operations, and the rise in the value of the metal during the past year has meant considerable additional revenue for the company. It has offset the lower price that has prevailed for zinc.

During its first full year of operation, that is in 1931, the company's silver output amounted to 702,128 ounces. In 1932 it rose to 933,983 ounces and in 1933, to 1,210,666 ounces. While production in the present year may be affected by an enforced shut-down of 27 days length due to labor troubles operations are said to be on an even better basis than in 1933.

Its mining costs are known to be among the lowest on the continent. Ore is mined simultaneously both by open pit and underground methods, with about two thirds of the production being taken out by the former method. With the company generating its own power and having plant facilities for producing refined zinc and blister copper it is fortified against fixed charges and is in a position as are few mining operations in the Dominion for curtailing and controlling its production costs.

Outlook Bright

The company has a funded indebtedness of $4,997,700 carrying six per cent interest which amounts to a fixed charge of approximately $300,000.

As at Dec. 31, 1933, the company had a working capital of $4,677,463, current assets amounting to $5,267,325 principally made up of $651,314 in cash $1,264,766 in United States treasury certificates and $2,174,335 of metal on hand.

The outlook for the company is bright. Should metal prices improve the company would soon be in a position to pay dividends. It has successfully weathered the period of lowest metal prices in history. In 1933 it earned 31 cents a share on its outstanding capitalization of 2,500,230 shares. The company enjoys excellent management.

B. E. A. R. LTD.

Company is Developing Silver Property at Great Bear Lake

Bear Exploration & Radium Ltd. is developing a silver and pitchblende prospect in the Echo Bay and Conjuror Bay areas, Great Bear Lake district, and also holds a substantial interest in St. Paul Silveradium Ltd. and the East Bay group of Circle Minerals Ltd.

In addition to surface work both diamond drilling and underground work have been done. During 1933 a tunnel was driven approximately 478 ft. and a winze sunk 125 ft. to explore the vein at depth. Plans for the current year called for the sinking of a shaft 165 ft. below the tunnel level and the cutting of a raise through to the surface. Four distinct ore zones have been designated as of sufficiently good grade to furnish feed for a mill.

The company has an authorized capitalization of $4,000,000, of which $3,880,005 has been issued as at Feb. 28, 1934. The unissued treasury shares are under option to net the company $97,500. As at Dec. 31, 1933, the company reported supplies on hand valued at $38,000 and cash of $90,000.

(Additional silver mining reviews on page 20)

CASTLE TRETHEWEY

Future Definitely Brightened by Rise in Silver Prices

Castle-Trethewey Mines, at one time the chief silver producer in Ontario, is one company whose prospects for the future have been definitely brightened by the rise in the price of silver during the past year. Inactive since April, 1931, when operations were suspended at the company's mine in the Gowganda district due to low silver prices, the company's directors are understood to now have the reopening of the property under consideration. At the annual meeting of the company held in June of this year, J. P. Bickell, president, stated that if silver prices were stabilized at the average for the past 20 years, or at about 50 cents per ounce, serious consideration would be given to once again placing the mine in operation. The nationalization of silver by United States has placed the price on a stable basis at this level. At the time of suspension of operations costs of production approximated 38 cents an ounce.

The Castle-Trethewey property consists of 12 claims comprising 1,316 acres in Nicol township, Gowganda district, Ontario, 22 miles from Elk Lake on the T. & N. O. railway. The company also has a lease on 112 acres under Miller Lake. The property is equipped with 100-ton daily capacity mill and up to the time of suspension of operations in 1931 had been a continuous producer since 1922.

The authorized capitalization of the company is $3,000,000 in $1 par value shares of which 2,709,002 shares are outstanding.

The company's balance sheet as at March 31, 1934, showed a working capital of $687,319, current assets amounting to $700,096 as against current liabilities of $12,777. As at that date the company had $159,800 in cash while marketable securities, not exceeding market value, were carried at $536,294.

NIPISSING MINES

Company Has Large Stock of Silver Bullion — No Longer Producing

Nipissing Mines, through its subsidiary, The Nipissing Mining Co., holds the distinction of having produced more silver than any other mine in Canada and while the company suspended operations in March, 1932, it still had approximately 1,500,000 ounces on hand in June of this year. The company has pursued the policy of not marketing its silver while low prices prevailed. During the first half of the current year approximately 500,000 ounces were disposed of and should prices continue to rise it is likely that a further portion will be sold.

While the Ontario Department of Mines in its report of Mineral production in Ontario during the first six months of 1934 stated that the company had reopened shaft 81 east of Cobalt Lake with the intention of recovering cobalt ore it is doubtful whether the company would resume operations on a major scale even if the price of silver were to mount higher. The company''s mine in Coleman twp., at Cobalt was closed down not only because of the low price of silver, but also because of depletion of ore reserves. In 1930, for the first time in the company's' history, operations proved to be unprofitable.

The company's chief interest now centres in Beattie Gold Mines. As at Dec. 31, 1933, the company held 1,564,283 shares of this company's stock and has options on shares that will, when exercised, give it a 38 per cent interest in the company. The company owns 1,489,000 shares in Robb-Montbray Mines, also a 55 per cent interest in Michigan Pacific Oil and Gas Co.

Since 1906, when dividends were inaugurated, Nipissing Mines has disbursed to shareholders $30,090,000. In August of this year a dividend of 12½ cents was paid. This was the first disbursement made since April, 1931.

As at Dec. 31, 1933, Nipissing Mining Co. had current assets valued at $1,667,363 as against current liabilities of $23,489, leaving a working capital of $1,643,874.

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BIG HOLDINGS PRICE THREAT TO CAN. BUTTER

Cold Storage Stocks Are Up 25 Per Cent Over 1933

AFFECTS DAIRIES

National Dairy Council Proposes Scheme to Compel Exporting Without Compensation

Cold storage holdings of creamery butter in Canada on Oct. 1 were over 25 per cent above the same date a year ago according to the latest dairy summary by the Dominion Bureau of Statistics. The total at the beginning of the month was estimated at 53,000,000 pounds, which, allowing for the additional creameries reporting this year, was 11,000,000 pounds above the total in storage at Oct. 1, 1933.

Affects Dairy Companies

As the raw material for butter may be diverted to other dairy products channels including whole milk, for direct consumption, the surplus affects the whole dairy industry and is of vital importance to all of Eastern Canada and a growing area of the west as well, it is stated. It is also of vital interest to all Canadian dairy companies most of which are already subjected to some sort of controlled prices on milk bought for direct sale. The situation during the winter months is further aggravated by the fact that practically no cheese factories operate during this period, thus eliminating the usual alternate outlet for surplus milk.

Storage Situation

"While the holdings reported are quite high," states the Bureau's summary, "it must not be assumed that the entire difference in stock represents a surplus above domestic requirements. It is necessary to have large quantities in storage to meet domestic needs during the next seven months when production does not keep pace with consumption. Just what quantities are needed cannot be definitely affirmed in advance. On October 1, 1933, storage stocks were 8,000,000 pounds greater than the year previous, but on May 1 of this year it was found that the actual surplus was only about 4,000,000 pounds. While general pasture conditions have improved greatly in the last month, indicating that fall production should reach higher levels than formerly anticipated, it is not expected at this stage that butter production in the next seven months will exceed last year's."

Manufacturers Worried

Prominent butter manufacturers, interviewed by The Financial Post, however, are not optimistic regarding the general outlook. Frankly, they are worried over the surplus and are doubtful about getting rid of it without a considerable reduction in domestic prices. The latter have already come down considerably, but are still, because of the tariff and transportation charges, well above the world figure and thus there appears to be no opportunity of export.

Speaking very generally, the summary of the Bureau of Statistics estimates that butter production for Canada as a whole during the winter period will be quite as high as in the winter of 1933-34, which will mean that 25 per cent more butter must be used than during the winter period a year ago.

Ottawa's Proposals

From Our Own Correspondent

OTTAWA.—Seeking a method by which from eight to ten million pounds of butter will be exported without injury to domestic price levels, the National Dairy Council of Canada is preparing a butter export scheme similar to one proposed a year ago but not adopted, to be submitted to the Dominion Marketing Board in the immediate future.

It is proposed to take full power to compel the export of this butter, but it is not intended to interfere with the domestic trade. To a degree the foregoing statement is self-contradictory. In order to compel export, the proposed board will have to interfere with the domestic trade to the extent that individual butter holders will be instructed to export and will have to follow instructions both as to quantity and destination of exports. Apart from this interference, however, the proposed board will not seek to regulate domestic trade.

Prevent Price Fall

In this way the National Dairy Council hopes to avoid a drastic fall in butter prices in the next few months. Whether or no the fears of the Council in this connection are well founded seems to be in doubt and there is convincing evidence, at Ottawa, to indicate a serious difference of view as between the Department of Agriculture and the Trade and Commerce Department. The former is genuinely alarmed at the prevailing butter situation; the latter is very sceptical of the existence of the condition upon which the Marketing Act application is based. The Trade and Commerce Department, while not disputing the existence of large stocks at the moment, believes that prevailing conditions—fodder and feed—will greatly curtail production this winter and that no exports are necessary to safeguard domestic prices.

This point is the crux of the question. The price of butter at Montreal is about 19⅝ cents per lb. At London it is 16.61 cents. It costs about 2 cents per lb. to ship. Therefore, if Canadian domestic prices are to be driven down to export levels, there will be a drop of some 5 cents per lb.

A proposal that the West and the East should each ship 3,000,000 to 4,000,000 lbs. has failed. Westerners appeared to be willing but easterners held that the butter surplus originates entirely in the West, and it was up to that part of the country to do the exporting.

Temporary Scheme

The marketing scheme is purely temporary in character. It is to run until May 1, 1935. Thereafter a permanent scheme may be advanced. It is proposed to create a five-member board to control butter exports. One member will represent British Columbia and Alberta; one Manitoba and Saskatchewan; Ontario and Quebec will each have a representative and the Maritime Provinces will nominate a man to complete the board. The scheme will provide that a vote be taken of the manufacturers of butter and the legitimate holders of it. This means a vote of creameries and of dealers who stock butter to sell direct for consumption. Brokers and commission men are not to be included.

If the scheme is brought into effect, the board will proceed to lift a large part of the alleged surplus off the domestic market. The board will have nothing at all to do with the handling or sale of butter but will take a census of butter holders and will then instruct these men to export a given amount. They will also be instructed where to export but the sale in the selected market will be left entirely to their own devising.

The proposed board will not compensate exporters for any loss but will take the position that if the surplus was not lifted from the domestic market, butter holders would take heavy losses on all their stocks. By compulsory exporting it is believed they will be saved from loss on the domestic sales. No holder, it appears, will be required to export more than 20 per cent of his stocks.

Heads New Firm

HAROLD E. MOTT

President and general manager of the firm of H. E. Mott & Co., of Brantford, which has purchased part of the assets and plant of Goold, Shapley, Muir & Co. of that city.

Industrial Equipment Firm Formed at Brantford

Announcement has been made to The Financial Post of the formation of H. E. Mott Co. Ltd., of Brantford to manufacture dyeing equipment for the textile industry and special types of wooden and metal tanks used in industrial establishments.

H. E. Mott, formerly manager of engineering and production with Rogers Majestic Corp. is president and general manager of the new company; E. A. Mott, vice-president and director of Harding Carpets Ltd. and formerly general manager of Cockshutt Plow Co. is chairman of the board. Other directors are John Harold of Paris and Hugh J. McLaughlin, K.C., of Toronto.

The company has purchased the patents and physical assets of the Goold, Shapley, Muir & Co. in respect of the lines it will manufacture, and has also purchased a large three-story building formerly occupied by that company at Brantford where production is now under way.

Steel Plants in Ontario Promised Cheaper Power

Steel plants operating in Ontario are to receive reduced rates on power according to an announcement from the Ontario Hydro-Electric Commission.

"In order to stimulate this important basic industry and with unsold power still available," reads the announcement, "the commission is prepared to supply energy for the operation of electric steel furnaces used only in the manufacture of steel billets, to be later processed into various shapes such as rods, plates, bars, etc., at the very favorable rate of 0.4 cent per kilowatt hour for off-peak power and with a minimum monthly charge of 25 cents per horsepower per month."

Moose Jaw Tax Receipts Better Than Last Year

Moose Jaw collections of current taxes to Sept 30, 1934, totalled $315,561, or 33.9 per cent of the tax levy. Arrears collected totalled $104,475, and combined collections for the nine months were 45.12 per cent of the levy. This is an improvement over last year.

The city's bank loan stood at $534,261 at Sept. 30, compared with $637,294 a year previous, due largely to transfer of $100,000 from the franchise account built up from sale of the municipal power plant.

In 1933 the city collected $407,427 of a tax levy of $840,511 within the calendar year.

A. DesRosiers Selected to Head B. Houde Co.

From Our Own Correspondent

MONTREAL.—Aime DesRosiers has been appointed president of the B. Houde Co., Quebec, a subsidiary of Imperial Tobacco Co. of Canada. Prior to his appointment Mr. DesRosiers has been in charge of sales on the Island of Montreal for Imperial Tobacco. Mr. DesRosiers entered the tobacco business in 1893, when he was a junior in the office of D. Ritchie & Co., the nucleus from which Imperial Tobacco Co. of Canada grew.

Acme Glove Works Retires Block of Stock

From Our Own Correspondent

MONTREAL.—Acme Glove Works has notified the Montreal Curb Market that 255 shares of its preferred stock have been redeemed and cancelled, leaving outstanding in the hands of the public 8,966 shares.

Obituary

Robert S. Coltart, vice-president of Holt, Renfrew & Co., died in Montreal. Mr. Coltart also was president of the Canadian Fur Auction Sales Co., and a director of A. L. Johnson Shoe Co.

B. C. PULP SALES ARE MAINTAINED CURRENT PERIOD

Interest on First Mortgage Bonds Will be Met on Nov. 1

From Our Own Correspondent

VANCOUVER—Improvement in the business done by B. C. Pulp & Paper Co., with head offices in Vancouver and mills at Woodfibre and Port Alice, will permit the company to meet full interest on the six per cent first mortgage sinking fund gold bonds on the due date Nov. 1, according to President Lawrence Killam.

The November payment is the last of the payments which the company obtained permission from bondholders to postpone if necessary. By agreement in May, 1933, the bondholders agreed to postpone interest installments falling due in 1933 and 1934 on the understanding that they would be payable in order of their maturity as and when "cash available from operations is sufficient to pay them."

Meet Interest Payments

Under this plan, payment due May 1, 1933, was made October 16, 1933, with interest at eight per cent from May 1. Before the November 1 due date conditions had improved sufficiently to permit payment in full on December 1, 1933, only one month's deferment being necessary.

On May 1 of this year payment was made without any postponement and the same condition will obtain on November 1. Bondholders waived and cancelled sinking fund installments due in 1932, 1933 and 1934. The six per cent first mortgage bonds are outstanding to the amount of $3,321,000.

So far as the seven per cent general mortgage sinking fund gold bonds due 1950 are concerned, bondholders agreed to postpone interest payable in 1932, 1933 until November 1, 1934, interest to accrue at seven per cent on payments so deferred. Sinking fund payments were cancelled from 1932 to 1934 inclusive.

Business Holds Up

Mr. Killam says that volume of business is being well maintained, although the price situation is anything but satisfactory and worse than it was eighteen months ago. The company's mills are still operating at capacity. He points out that a new competitive factor is now encountered in the Orient as a result of the entry of newly completed Oregon and Washington mills into that field. He does not look for an early advance in pulp prices, partly because of the breakdown of the Scandinavian pulp conference which had sought a greater degree of stability in the industry.

Striving to Open Bank of Canada Next January

From Our Own Correspondent

OTTAWA.—Allocation of shares in the Bank of Canada is being made as rapidly as possible with a view to getting the institution into operation next January.

Enquiries as to the selection of directors indicate that the government has given little thought to this matter as yet and is inclined to the view that the shareholders have the final choice. The statute sets up provisional directors who will be in charge of the bank in the organization stage. These provisional directors, under the law, will call a meeting of the shareholders as soon as possible and the permanent directors will be selected in the usual way.

Footnotes to Ottawa

From Our Own Correspondent

New Radio Station

THE long deferred construction programme of the Broadcasting Commission in Western Canada is likely to get under way in the next few weeks. The commission, it is learned, has recommended to the government the appropriation of money to erect a 25,000-watt station in Saskatchewan. The location decided upon is said to be the town of Davidson, midway between Regina and Saskatoon.

* * *

Mass Buying, Oct. 29

THE Stevens Price Spreads Commission will open October 29 at Ottawa when evidence regarding the fishing industry in the Maritime Provinces will be heard.

* * *

Farm Relief Act

THE Farm Debt Relief Act will be proclaimed in the Maritime Provinces and British Columbia on Nov. 1, bringing it into effect throughout the country. To date, Hon. M. A. McPherson, in charge of administration, has concentrated on the selection and appointment of official receivers but within the next ten days it is expected that steps will be taken to set up provincial Boards of Review. When these are constituted, the Federal debt relief policy will be fully operative. So far, the response of farmers has been greater than expected. More than 200 applications for composition of debt have been received and are being dealt with. Most of them are from farmers in the Prairie Provinces.

* * *

Public Works Hold-up

THERE appears to have been a hold-up in the public works programme due to the absence of Premier Bennett. About the only large contract awarded during the week went to a relatively unknown firm of Couture & Toupin of Winnipeg for the erection of a new wing on the Deer Lodge military hospital at that city. Contract price is $114,000. Another contract for $35,000 was awarded for the construction of a public building at Banff, in the national park.

The government is meeting with criticism from many individuals and organizations throughout the country by reason of the type of buildings which have been stipulated at various cities. The government stipulates a public building of reinforced concrete at one point and local opinion strenuously urges a structural steel design, and so forth. These local demands while based, as a rule, upon humanitarian grounds are not being met by the government.

In some cities, it is agreed, a type of building different from that called for by government architects would provide more labor during winter months. It is impossible (or nearly so) to proceed with reinforced concrete construction in sub-zero weather. But there are larger considerations which in the government's view outweigh these local appeals. It is learned that the entire national works programme has been divided as evenly as possible between the two types of construction—steel and concrete. This has been done to give both the cement and the steel industries an even break. In many cases where the new buildings are an extension of existing structures, the government had no control over the type of materials to be used.

Therefore the government, if it is to adhere to the 50-50 policy, must insist upon a given type of construction in other works—regardless of local opinion.

* * *

Tariff Reductions

TARIFF reductions which will assist Canadian manufacturers and encourage imports from Great Britain were announced last week by the National Revenue Department. Unbleached beeswax which formerly was 15 per cent preferential; 20 per cent intermediate; and 20 per cent general tariff, is now made free under the preference when imported by manufacturers for use in their own factories.

A substantial reduction in the tariff on hot rolled strips of iron or steel, with rolled or mill edge, of more than .080 inch in thickness has also been made. The reduction only applies to imports by manufacturers for further processing or use in their finished products. The old rate was $4 per ton preferential; $8 per ton intermediate and general. The new rate is free under the preferential tariff and $4 per ton under the other two schedules.

Articles of iron, steel or nickel when imported by manufacturers for use in the production of storage batteries are now included in the basket item for such raw materials and are dutiable at 12½ per cent; 20 per cent and 20 per cent. Formerly they paid much higher rates under various items of the tariff.

* * *

Automobile Drawback

GOVERNMENT regulations governing the granting of drawbacks in duty paid by automobile manufacturers on imported parts have been consolidated and clarified by a new ruling issued by the Department of National Revenue. If the value for duty of imported material is less than one half the production cost of the finished article, imported articles (where the tariff allows) will be entitled to the drawback, provided the body and chassis of the cars are entirely assembled in Canada.

These particular drawbacks, of course, apply only on cars which are exported. Production cost is held to be the total factory or works cost and these include material, labor and factory overhead as well as the portion of administration expense fairly chargeable against the finished product. Such costs as advertising and taxes, however, are excluded. By factory overhead is meant the actual figure for the period in which the imported articles are handled.

* * *

A Correction

ON SEPTEMBER 8, last, in this column a short review of the activities of the post office department with respect to stamp collectors contained the statement that revenues from this source last year exceeded $900,000. The error in the figure was obvious. This figure applies to the philatelic revenues of the United States government. Ottawa has never announced actual revenues but it is known that, per capita, they exceed those of the United States. It is probable that a figure of $100,000 would approximate the sum paid to the treasury last year by philatelists.

Jobless Insurance Estimates Thought Much Too High

From Our Own Correspondent

OTTAWA.—While details of the unemployment insurance legislation, to be introduced next session by the Bennett government, are being closely held, it is learned on good authority that unofficial reports concerning the cost of the proposed policy are grossly in error.

It is being suggested that the total cost of the policy will run to about $80,000,000 per year and this will be divided between the government, the employees and the employers.

Few Workers Covered

But this figure appears to have been worked out on the basis of payments of $5 per week to the normally unemployed people in Canada. The government's measure will apply only to a fraction of them and, naturally, cannot cover persons who are out of work. The scheme is to insure those now at work against unemployment.

The Dominion Bureau of Statistics has done a great deal of work on the unemployment problem and has given the government a report containing more statistical information that has ever before been assembled. This report, it is understood, will be released by the cabinet at or about the time the legislation is introduced.

Casual Labor Out

Unofficial but reliable information is to the effect that the legislation will cover only certain classes of industry and will make no attempt to extend protection to the many forms of casual labor carried on in Canada. Moreover it will apply only to persons earning less than $1,500 per annum. It will be assumed that those with higher incomes should have accumulated sufficient savings to carry themselves along for a period of time equal to that for which unemployment benefits will be paid under the legislation.

The cost of the policy, therefore, will be but a fraction of the estimate recently published.

MODERN CRIER HANDLES TRADING SILVER FUTURES

Exchange Clerk Plays Important Rôle — Methods Outlined

Silver trading has a technique of its own. Here are typical methods of dealing:

At one minute to ten the exchange clerk in charge of the ring mounts the platform that is placed directly beside the ring and announces that it is one minute to the opening. At the same time, he announces how many "T.N.'s" (transferable notices) there are out for the day. At the exact minute of the opening the bell in the centre of the ring sounds, and, with it, the clerk says "We will now proceed with the opening call."

The clerk, standing on the platform overlooking the ring, has, at his right, a hand gong, or a gavel, and, at his left, a rack that holds movable discs with the months of the year plainly printed in large black letters on them. This being October, he has the plate marked October exposed. He then asks, "What is the bid for October?" and when a bid is made he repeats the bid loud enough for all in the ring to hear. He then says, "what is the offer?" and when an offer is made he repeats the offer in the same way as the bid. He repeats the bid and offer for a reasonable time, at the same time pointing to the bidder and saying, "your bid," and the same with the offer. As the bid is raised or the offer lowered, he repeats them as quickly as he can. If the bid is filled or an offer taken, he points to the two parties involved saying, "you bought from him," or vice versa. As soon as a trade is completed he immediately asks for another bid and offer. He continues this procedure while any interest is shown in that particular month, then rings the gong with his right hand, turns the plate with his left and calls November (for the plate then exposed will be November, as they all follow in month order after the spot month). This, he continues until the twelve options have been completed. After that it is a free for all, and every man for himself.

Crossing the Trades

If a broker has a bid and an offer at the market for the same delivery month, and business is done for that delivery either by him being on one side of the trade or not in it at all, he has the privilege of executing his order by shouting, "one to show," or "two to show," as the case may be, depending upon the size of the order, at the time the transaction is completed or say within ten seconds of its completion. If no business is being done at the time he wants to cross a trade, then he must make a market either one point apart, and repeat it once, then do a trade at one of the market prices he made, or make a two-point market and repeat it once and do the trade at the middle rate.

Example No. 1: A broker has a market order to buy and sell the same month. Another broker (A) bids 49.50 for December, and still another broker (B) offers December at 49.55. B finally decides that A's bid for December is the best he can get for that delivery at that particular time, so when A repeats his bid at 49.50 broker B shouts, "sold." The original broker, meanwhile, has been standing by watching proceedings and not saying a thing, and as soon as B accepts A's bid at 49.50, he shouts, "one to show." That means that he bought one lot of December and sold one lot of December at 49.50 for his customers.

Example No. 2: The market for December should be 49.50, but there is nothing being said or, if there is, the best bid that is showing is 49.40, while the best offer is 49.60. He has a buyer and a seller of one lot of December at the market. He bids 49.45 and offers at 49.55, and, if no one shows any interest he raises his bid by one point and lowers his offering by one point, and continues this way until he is bidding 49.50 and offering at 49.51. He now makes this bid and offer twice then says: "One done at 49.50."

Example No. 3: The same situation prevails as in example 2, but when the broker starts to raise his bid and lower his offer, he notices that someone is watching his market very keenly, so he has to be careful or else he will be taken up on one side of his trade. Instead of finally getting his bid up to 49.50 he stops at 49.49 while his offer is 49.51. This market, he repeats, and then crosses the trade in between at 49.50.

Set Clearing Price

At one minute before 3 p.m., the bell in the centre of the ring sounds, and trades done from this point on to 3 p.m. (when the bell will again ring to designate the close of the market) are considered trades done on the close. The clearing prices are made up from these trades, or if no trades are done then the clearing prices are made up from the bids that showed during the one-minute closing session. If no trades were made, and no bid showed for some particular delivery, then a nominal rate is established for that delivery which is in line with the rate at which business was done for the nearest delivery to it. If business was done for some particular delivery at various rates, the lowest average rate between the high and low would be the clearing rate established for that delivery. For example, if, on the close, December delivery was traded at 49.50, 49.55 and 49.59; the low was 49.50 the high 49.59, so the clearing rate would be 49.54. If there was business done from 49.50 to 49.60, then the clearing price would be 49.55. If business was done at 49.50 and 49.51, the clearing price would be 49.50.

The clearing price for the current month is the "T.N." price for the next day's delivery notices.

Exchange Members From 4 Continents

Canadian Commodity Exchange's roster of members has a definite international tinge. While the majority of members are located in Montreal and Toronto, seats have been allocated to firms or individuals in New York, Shanghai, Hong Kong, Bombay, Rio de Janeiro, Paris, Vancouver, Philadelphia, Kingston and Buffalo.

With one exception the New York seats have gone to members of the New York Stock Exchange or the Commodity Exchange. The memberships in Shanghai are for four of the largest bullion firms in that centre. Members of the Commodity Exchange also hold seats on the Montreal Stock Exchange, Montreal Curb Market, Toronto Stock Exchange, Vancouver Stock Exchange, etc. One member from New York—Clark, Childs & Keech—holds membership on 17 other exchanges.

Margin Depositaries Named by Exchange

Margin depositaries approved by the Canadian Commodity Clearing Association cover the 10 chartered banks, as well as two branches, all located in Montreal. The banks named by the Association follow: Bank of Montreal (main office and St. Peter and St. James St. branch), Barclays Bank, Banque Canadienne Nationale, Bank of Nova Scotia, Bank of Toronto, Canadian Bank of Commerce, Dominion Bank, Imperial Bank of Canada, Provincial Bank of Canada, Royal Bank of Canada (main office and Aldred Building branch). In each case the depositary is the main office or the principal branch of the bank in Montreal.

Profits Are Coming Says Agency Bulletin

Business prosperity accompanied by profits is forecast in a current bulletin issued by A. McKim Ltd., Canadian advertising agency.

The bulletin shows that the McKim study, "The Upward Trend of Business," published in July, 1933, made a correct forecast. Figures compiled by The Financial Post are used to illustrate the rise in business volume and dividend payments.

Factors enumerated in the forecast of coming prosperity are: Growth of confidence; plethora of credit and statutory increases in gold stocks; the possibility of higher prices in Canada and throughout the world so that Canada's exports would not be adversely affected; increased activity in capital goods industries, particularly in mining.

Saskatchewan Legislature Opens November 15

First session of the eighth Saskatchewan legislature will open Thursday, November 15, it has been announced. The House will sit for about two weeks to deal with their most pressing problems, it is stated.

Premier Gardiner stated recently that the session will be featured by legislation dealing with debt adjustment, tax consolidation and beer by the glass sales. Mr. Gardiner said the debt adjustment legislation the government had in mind was not far enough advanced to even indicate its nature. He said that some change was made necessary by the new legislation now operating in other provinces.

Canadian Silver Export Prohibited in 1918

In 1918 the price of silver to Canadian mines went to over $1 an ounce. As a result, it became profitable to melt down Canadian silver coins.

An order-in-council was passed Aug. 24, 1918, prohibiting the export of Canadian silver coin, silver bullion and fine silver bars except under license issued by the Minister of Finance.

Turner Valley Output

Making the most impressive showing since gas conservation was imposed in Turner Valley, total naphtha and "crude" deliveries to the Calgary refineries during the first eight months of 1934 amounted to 720,075 barrels.

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Insurance for Buyer and Seller

EXTENT OF HYDRO SELF-INSURANCE NOT YET DECIDED

Stewart Lyon Gives Details of Insurance Fund

With the exception of the public liability and property damage risk of the Hamilton Street Railway, which will be totally carried by the Hydro-Electric Power Commission of Ontario, the extent to which other risks will be self-insured has not yet been finally decided, The Financial Post learns. Broadly speaking, the plan is to self-insure approximately one-third of the balance of the fire and liability risks. In some cases, however, more than one-third will be so carried while in others insurance will remain for the full amount, T. Stewart Lyon, commission chairman, told The Financial Post this week.

Average premiums paid by Hydro on all its risks, both fire and casualty, during the past five years—including the Hamilton Street Railway risk—amounted to $130,000, while losses averaged less than one-third of this amount. Of total premiums, the average annual payment on account of the Hamilton Street Railway has been $41,500 while losses from this risk have averaged merely $9,230.

Set Up Fund

An insurance fund will be set up by Hydro by an annual payment of approximately $43,000, or one-third of the average amount of annual premium over the past five years. In this regard, Mr. Lyon told The Financial Post:

"In future, Hydro will pay to itself for an insurance fund, one-third of the moneys that would have been paid had it continued to insure its property on the basis of the past five years. This amount will be accumulated as a backlog to take care of losses that may be incurred throughout the system from fire, public liability and property damage."

Some Risks Not Cut

Some of the properties of the Hydro will continue to carry the full amount of fire protection, it was explained, as these were constructed by means of bond issues sold in Britain under the terms of which full fire coverage must be carried. As the possibility of any fire damage to these power developments is negligible, the rates are correspondingly low, Mr. Lyon stated.

Mr. Lyon suggested that more than one-third of the public liability coverage on certain properties might be self-insured and that less than this amount of fire coverage be so treated.

Self-insurance of the Hamilton Street Railway risk is not a new departure for this system as, under Dominion Power and Transmission ownership, the risk was so carried. A claims agent has been appointed at Hamilton to service this risk.

The report of G. A. German, Toronto insurance broker, on the insurance carried by the Hydro-Electric Power Commission is expected to be completed this week and placed before Premier Hepburn.

Insurance Inklings

LEON A. BROWN, Winnipeg, Travelers, is leading Canadian producer in new life premiums of the company to the end of August.

EUGENE S. FREEMAN, Halifax, Travelers, leads in accident premiums in Canada.

EUSTACE BROCK, secretary of the Great-West Life, will speak on "Conservation in Agency Work" before the annual meeting of the Life Insurance Sales Research Bureau.

EDGAR A. DIONNE, Empire Life, has been appointed branch manager for the City of Montreal.

J. G. STEPHENSON, C.L.U., superintendent of Agencies of the London Life Insurance Co., is at present on an extended tour of inspection of western branches. Accompanying Mr. Stephenson is E. M. Blackie, assistant superintendent.

Important Rate Changes To Be Made By Great-West

Participating Premium Rates Substantially Lower—Non-par Rates Increased—Surrender Values Changed

A substantial reduction in participating premiums rates; a general increase in non-par rates; new surrender values; and increased annuity rates will be put into effect by the Great West Life Assurance Co., effective October 22, The Financial Post learns.

New Low-Cost Policies

Most important change is probably the complete revision of premium rates in the company's participating policies. For all policies the "spread" between non-par and "with profit" rates has been materially reduced while for ordinary life policies the old rate has been withdrawn and two new rates substituted.

One of these is a new low rate "preferred risk" policy which is being sold in units of $5,000 or more and is quoted at rates only 10 per cent higher than the new non-participating rates. In addition a new policy is being issued which will virtually replace the regular whole life policy and is called "endowment at 85". This move is in line with a practice developed by many Canadian life companies in recent years to narrow the spread between par and non-par contracts. The old spread between these two types of contracts in the Great West was as high as 30 to 50 per cent.

"Spread" Reduced

Limited payment life policies which participate in profits also are shown at lower premiums, a former "spread" of about one-third between par and non-par rates being reduced to between 10 and 15 per cent on a policy such as 20-pay life. In the 20-year endowment a spread of 20 per cent is reduced similarly to about 10 per cent. These calculations are only approximate and take into account both the reduction in participating rates and the increase in non-par premiums.

Comparative rates at four typical ages are shown below. It should be noted that the three rates given under the heading "ordinary life" are not strictly comparable for reasons given above. The "preferred" rate is stated by the company to be only on selected risks and saleable in large amounts.

Great-West Participating Rates

	Age 25	35	45	55
(1) Ordinary Life:	$	$	$	$
New pref. rate..	16.05	21.66	31.80	49.89
New endow. at 85	17.46	23.57	34.49	54.02
Old rate	20.80	27.40	38.30	57.55
(2) 20-Pay. Life:				
New rate	24.91	31.38	41.67	58.59
Old rate	28.50	35.40	45.40	62.20
(3) 20-Year Endowment:				
New rate	44.45	45.94	50.67	62.65
Old rate	47.30	49.50	54.10	65.40

Increases in the non-par rates of the company vary from 3.5 to six per cent with the average increase probable near the five per cent mark. The increase in rates is apparently more marked in the lower cost "protection" policies. Thus comparative rates, as shown below for typical ages, show the highest increase to be in ordinary life rates, the gain at age 25 being approximately 5.5 per cent and at age 55 about six per cent. The increase in rates for 20-year endowment policies at the same ages is only 4.4 and 3.5 per cent respectively.

Comparative rates follow:

Great-West Non-Par. Rates

	Age 25	35	45	55
(1) Ordinary Life:	$	$	$	$
New rate	14.57	19.75	29.29	46.47
Old rate	13.80	18.55	27.50	43.80
(2) 20-Pay. Life:				
New rate	22.13	27.56	36.63	51.92
Old rate	21.30	26.35	35.00	49.70
(3) 20-Year Endowment:				
New rate	40.60	41.52	45.35	55.88
Old rate	38.90	40.10	43.90	54.00

No Change in Dividends

The company reports also that it expects dividends to policyholders in 1935 will be on the same basis as in 1934 and that the rate of interest on proceeds of policies or other funds left on deposit will continue at 4¾ per cent for 1935.

Surrender values in the new policies will be based on the American Men Mortality table and will be affected by the change in the table as well as by an increase in surrender charges and an extension of the period during which the charges are applicable. On certain plans such as the ordinary life, the surrender values for the older ages will be increased in the later policy years, but as a general rule, particularly on limited payment life plans, the surrender values will be reduced. On endowment plans, surrender values, particularly in early policy years, will be reduced due to the increase in surrender charges.

In annuity rates the company is adopting increased rates similar to those already adopted by many leading Canadian companies.

No material change is being made in the company's policy conditions, apart from those necessary by reason of the change in premiums and surrender values.

Other smaller changes noted by the company are the inclusion of a one-year renewable term policy and the addition of a "family protection rider" which will enable agents to sell this special coverage with any policy or plan.

Insurance Director

Photo Blank-Stoller

A. H. ELDER, K.C.

Who becomes first Canadian director of the Prudential Insurance Co. of America. Mr. Elder has been the company's legal representative since it began operations in Canada.

ONTARIO AGENTS DISCUSS PROPOSAL FOR MINIMUM RATE

Want Minimum Tariff on Auto Risks — At Annual Meet

Approval of the automobile minimum tariff and approval of the Dominion Government accepting company bonds instead of other securities on Dominion contracts will be the two principal subjects discussed at the fifteenth annual convention of the Ontario Fire and Casualty Insurance Agents Association, to be held at Toronto October 18 and 19. In addition to these subjects, a report on the Agency Qualification Law, proposed statutory fire conditions and technicalities of the statutory automobile forms will also be discussed at the business sessions.

Guest speakers at the convention, headed by Hon. George S. Van Schaick, New York State superintendent of insurance, will feature the luncheon meetings, and the annual banquet on Thursday evening. Hon. George S. Van Schaick will speak at the banquet, his subject being "Some Personal Aspects of Insurance Administration."

Foster On Saint John

At the luncheon on October 18, Hon. Arthur W. Roebuck, Ontario attorney-general, will be guest speaker. On the following day, J. Grove Smith, Dominion Fire Commissioner, will deliver an address at the luncheon along with R. Leighton Foster, K.C., Ontario superintendent of insurance, who will speak on "Some Developments Arising Out of the Insurance Superintendents' Conference at Saint John."

In addition to the guest speaker at the annual banquet, a film on accident prevention, "Saving Seconds," will be shown through the courtesy of the Aetna Life at Toronto. It is stated that this film has created profound interest throughout the United States.

Schedule of Subjects

Complete schedule of subjects to be discussed at the convention, following the report on activities of the year by the president, is as follows:

1. Approval of automobile minimum tariff.
2. Approval of the Dominion Government accepting company bonds instead of other securities on Dominion contracts.
3. Report on the "Agent's Qualification Law."
4. Proposed statutory fire conditions.
5. Technicalities of statutory automobile forms.

New Sun Life Agency Bulletin

To celebrate the new agency setup in Western Ontario, Sun Life Assurance of Canada is issuing from Toronto a special agency bulletin called "Western Ontario News."

Volume One contains a special message from John A. Tory, veteran supervisor of the branch, directed to his associates and especially to the new officials and managers of this reorganized territory.

Farm Revenue Gains

Revenue derived from the sale by Province of Quebec farmers of farm animals, wool, dairy products and poultry and eggs rose from $59,268,000 in 1932 to $63,111,000 in 1933.

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Feels Attack on Conference Both Unfair and Incorrect

Editor, The Financial Post,

I was very much interested in the article by V. Evan Gray appearing in last week's issue of The Financial Post, giving a long summary of the Saint John conference of the Association of Provincial Superintendents of Insurance.

The attack on the "good faith" of the business of insurance (automobile and fire) was as unfair as it was incorrect.

The average layman reading the article would have gained the impression that this conference of the superintendents actually was clothed with legislative authority when as a matter of fact, and as is well known by Mr. Gray, himself being one of the former members of the conference, it is nothing more virtually than a debating society. Other branches of the government might very well emulate the excellent practice of this conference as being a sounding board for everybody's "whim and fancy" whether connected with the business, whether representing the public or any particular interest. Anyone can go before these superintendents' conferences which are held annually throughout the Dominion and air his views.

The superintendents, to a man, are officials of unquestioned integrity and wherever some new idea is advanced which would seem to be in the public interest it is adopted by the conference and recommended to the various legislatures for adoption. The legislature is therefore the last word.

You will agree, therefore, that it would be unfortunate if any suggestions or matters brought before this conference would leave the sponsors open to violent attacks questioning their good faith, particularly when the subject is only brought on for open discussion in an open forum.

JOHN B. SAMPSON,
Kingston, Ont.

Future Very Bright For Life Underwriters Says Arthur B. Wood

A Message to Agency Forces From an Address by ARTHUR B. WOOD, President and Managing Director of Sun Life of Canada, Before American Life Convention, October 10, 1934.

Canadian and American citizens are by far the best insured peoples in the world. The hundred and five billions of life insurance in force on this continent is a protection against the financial losses resulting from death and advanced age; the equities in these policies, increasing year by year as premiums are paid, are an enlarging protection to their holders against reverses of fortune.

We may regard this huge volume of life insurance as a bequest from this generation to the generation which will follow it. It will be expressed in terms of sustenance, shelter, education and opportunity. Considered in this way, it becomes a national and social asset of incalculable importance.

A Personal Triumph

The principles of our business have to do with basic laws, but in its practical application to the affairs of the public it is capable of wide adaptations. Our actuaries have broadened its scope by devising plans, privileges, and modes of settlement to meet the varying needs of a public greatly differing in circumstances and social level. These have been useful aids, but we must never forget that life insurance is sold on personal solicitation. Our position of leadership in insuring the people is a triumph of personal salesmanship, and that triumph stands to the credit of the agents. I doubt if the history of business records a greater achievement.

Steady Improvement

Many years ago, the companies on this continent recognized as a condition of the expansion they aimed for, the securing of representatives who would make life insurance their exclusive study and occupation; men and women who would seek in salesmanship a permanent and progressive career. They gradually developed facilities for their training and instruction, and with commendable enterprise the agents themselves, individually, in groups and through their own established organizations, sought to promote their business competence, to eliminate malpractices, and to establish codes of ethics and business conduct that should be worthy of their calling. These efforts have succeeded and will succeed still more.

Long View Necessary

The full weight of the depression has been felt by our salesmen, and we are not unmindful of their difficulties. The only reservation I have is fear that perhaps some of the measures suggested as necessary for the protection of our business might be construed by agency managers and agents as adding to their already heavy burdens. But they can be relied upon to take the long view.

The greatest advantage our agents have had in these difficult years is the permanence, the stability, and the integrity of the business they have represented; and the greatest misfortune that could befall them would be for the security of our great business, with which the fortunes of millions of our citizens are interwoven, to be brought into serious question.

Our agents, as much as any of us, are concerned in preserving the inherent strength of life insurance, and will support any proper measures aimed toward that end. They will realize, too, that the leadership of their officials, and their own enthusiasms, can be extended only to such programmes of development as can be safely formulated and confidently sponsored. The worst days are over, let us hope, for our agents, and the future is bright before them.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Ministers Casualty Union

Please give me some information and your opinion of the Ministers' Casualty Union operating from Winnipeg.

We are informed by the Superintendent of Insurance at Ottawa that the Ministers' Casualty Union of Minneapolis is now known as the Ministers' Life and Casualty Union and is at present making application for Dominion registry.

As it is not yet registered in Canada, we have no information concerning its financial stability. Furthermore, until it obtains this registry it is still bound by the agreement with the Department of Insurance under which it promised not to solicit business in Canada.

The agreement made with this concern, as well as a number of other similar U. S. companies, provided that on condition of their being permitted to continue correspondence with existing members, they undertook to refrain from soliciting, by mail or otherwise, new business in Canada and would refuse to issue any policies on the lives of Canadians even on applications received without soliciting.

British Actuary

CHARLES F. B. RICHARDSON

appointed actuary of the British branch of the Confederation Life Association. Born in Leicester, England, Mr. Richardson has spent the last three years in the company's actuarial department at head office. He will make his headquarters in London, Eng.

PREMIUM NOTICES ARE ONLY COURTESY

Settlement of $5,000 Case in St. Johns Shows Policyholder Responsibility

From Our Own Correspondent

ST. JOHN'S, NFLD.—Giving judgment for the defending company, the Imperial Life Co. of Canada, in the Supreme Court here, Mr. Justice Kent settled a long standing case that had attracted much interest in commercial and life insurance circles in Newfoundland.

James Bindon, doing business in a small way, assigned to his chief creditors, the Royal Stores, Ltd., a policy of $5,000 on his life as security. Bindon, due to financial stringency, failed to meet his premium of $123 due on April 20, 1933, nor within the thirty days of grace following, nor did Royal Stores.

On January 9, 1934, several months after the policy had lapsed, the plaintiffs, Royal Stores, offered a cheque for $266 purporting to be the premiums for 1933 and 1934 plus $20 interest. This the insurance company refused to accept and returned to Royal Stores.

Royal Stores, Ltd., thereupon sued the insurance company seeking a declaration from the court that the policy was still in force because they had received no notice of premiums due. Judge Kent held that the lapse of the policy was "due to the plaintiff's neglect to examine papers in their possession relating to the policy until January 9, 1934, nearly nine months after the unpaid premium was due."

The verdict is taken by life insurance men to strengthen the position that full responsibility for payment of premiums on life policies rests with the insured, and that the sending of premium renewal notices is a courtesy but does not impose responsibility on the insurance company for any failure to pay due premiums.

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Confederation Life Shows Good Gains

An increase of 22 per cent in new business in the first nine months of 1934 is reported by V. R. Smith, general manager of the Confederation Life Association in a message to the company's agency force.

In September, 1934, the company reports new business of $3,366,444 as compared with $3,215,000 in the same month a year ago. Total business in force now stands at $364,487,000 a slight decrease from the corresponding figure of last year at this time. (Sept.30). Group business in force at the end of the month is over $3,000,000 higher than a year ago at $27,000,000.

P.E.I. FIRE RECORD SHOWS REDUCTION OF LOSS IN 1933

Record Seen as Excellent Owing to Few Fire Departments

Rarity of fires of suspicious origin in Prince Edward Island is stressed in a recent letter received by The Financial Post from Charles A. Beer, fire marshal of the province. This, Mr. Beer states, has allowed the staff of the fire marshal's office in the province to concentrate their work on inspection and prevention.

There were 252 fires recorded in 1933, showing a total property loss of $281,000, of which $154,500 was covered by insurance. Twenty-three causes of fires are listed in the official report of the provincial fire marshal, showing that sparks accounted for 60 of the fires, the greatest number; defective chimneys, flues, etc., for 31 fires; smoking and matches for 23; and automobiles for 17.

Small Per Capita Loss

The loss of $3.19 per capita in 1933 compared very favorably with the two previous years when losses of $7.52 and $9.33 were recorded. That this small loss was an excellent one may be judged from the fact that Prince Edward Island has but two waterworks towns — Charlottetown, the capital city, with population of 12,380 and Summerside, the county seat of Prince County in the western end of the province, with a population of $3,500. Outside of this there are only four other towns and villages with organized fire departments.

Bearing in mind that this province with its population of 88,000 is about 85 per cent agricultural in occupation, it can be seen that fire protection measures are fairly well looked after.

Chief Causes of Fire

Chief causes of fires in 1933 along with property loss are shown in the following table:

Chief Causes of Fire in P.E.I., 1933

	No. of Fires	Property Loss $	Insurance Loss $
Sparks	60	22,760	11,756
Chimneys, flues, etc	31	42,611	22,885
Smoking	23	6,663	4,767
Automobiles	17	3,619	3,619
Stove pipes	15	7,626	5,012
Lightning	11	2,560	1,110
All others	95	195,233	105,316
Total	252	281,072	154,465

Place of Origin

Of the 252 fires, 131 originated in farm properties, 65 in dwellings other than farm, and 21 were mercantile losses. Place of origin of fires is shown in the following table:

Places of Origin of Fires, 1933

	No. of Fires	Property Loss $	Insurance Loss $
Farm properties ..	131	152,349	69,061
Dwellings, not farm	65	17,625	12,432
Mercantile	21	87,706	57,467
Automobiles	17	3,619	3,619
Manufacturing	6	8,916	4,289
Other	12	10,857	7,597
Total	252	281,072	154,465

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Mutual Relief Life Reports Business Gain

The Mutual Relief Life Insurance Company announces that applications for new insurance up to date in 1934 are now in excess of the total amount received in 1933. On the other hand, requests for policy loans and cash surrender values are less than during the same period of 1933.

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The Week in Mining

Director's Responsibility

ALTHOUGH the enquiry into the alleged short selling of Teck-Hughes stock is, at the time of writing, only in its infancy, enough interesting data has been produced to at least justify the broad principle which lies behind this particular investigation.

On the first day of the enquiry it was learned that C. E. Wattlaufer, director and secretary of the company, sold 10,000 shares of Teck-Hughes stock three days before the announcement of the dividend cut was made; that his wife sold 3,100 shares on Sept. 17, the day the cut was announced; that his son, Taylor Wettlaufer sold 4,200 shares on August 30; and that two adopted sons of the secretary's brother sold 2,000 shares on the same day. Thus the total sales of the Wettlaufer family amounted to 19,300 shares in about three weeks.

It was also shown, from the records of the Toronto Stock Exchange, that while the average daily volume of trading in the six days Aug. 23-29 amounted to only about 12,746, the trading volume for the six-day period Sept. 12 to Sept. 18 averaged about 52,370 daily. And the dividend cut was not announced until Sept. 17.

Whatever the findings of the commission, this investigation cannot help but raise the vital question as to just how far the responsibility of a director to the shareholders goes. If the securities commission, under the new administration, makes it a general practice to investigate all major charges of leakages, much will have been achieved. All stock market observers know that ninety-nine times out of a hundred, a market disturbance in one particular stock is a prelude to some important announcement by the company. If the public can rest assured that the searing light of publicity will be thrown on all suspicious pre-announcement buying or selling, confidence will be that much greater. After all, a director is supposed to be only a representative of the shareholders, and not a privileged person blessed with inside information.

What is a director, who has a large portion of his assets in a certain stock, to do when he knows ahead of time that the directorate is contemplating some move which will materially alter his financial picture, perhaps plunge him into bankruptcy, by affecting the stock which he holds? It is a nice ethical question, and one which occurs almost daily in the Canadian financial world.

In the case of Teck-Hughes, the problem is one which, The Financial Post sincerely feels, would have been obviated had the company been more liberal with its information as to the position at the mine. If the shareholders of the company had been continually informed of this condition, they could have used their own judgment, and probably have anticipated the dividend cut. As it was, Teck-Hughes stock has for months, even for years, been the victim of rumors and tips about ore conditions, refutation or confirmation of which was not forthcoming from the management. The commission might consider the possibility of extending its investigation to include this angle of Teck-Hughes policy.

* * *

China, Inflation Talk, Aid Market

THE mining market during the past week was the plaything of such elusory factors as the report from across the border that the U.S. administration was considering a further cut in the gold content of the American dollar, and the announcement that China had imposed an export tax on silver. The latter development, it was thought, would curtail available world supply of silver, and thereby increase the price.

As a result of these two influences, gold and silver stocks were slightly brisker than in the previous week. Profit taking toward the end of the period, however, took most of the edge off this flurry, and few gains were registered. Castle Trethewey reached 81 for a brief period. Bear Exploration showed a slight gain, as did White Eagle and Premier.

Among the cheaper gold shares, God's Lake was the most prominent, and vied with San Antonio and Pickle Crow for the speculative spotlight. All three showed slight gains.

Senior gold stocks remained firm, and the effect of the inflation talk was less noticeable here. Hollinger, as a result of its announcement of a continued five cent bonus was the chief gainer during the period. The remaining senior golds did little to distinguish themselves.

* * *

Index to Mining Stocks

THE weighted index number of 23 mining stocks computed by the Dominion Bureau of Statistics on the base 1926 = 100, was 137.0 for the week ending October 11, as compared with 135.6 for the previous week.

Nineteen gold stocks rose from 134.1 to 136.2 and four base metal stocks fell from 147.2 to 145.7.

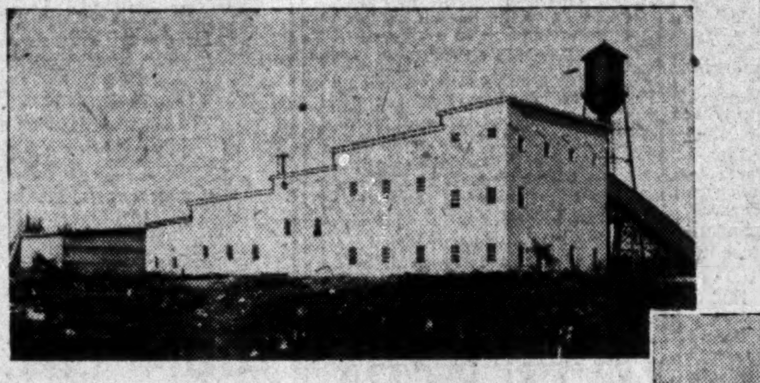
New Company Formed By Herbin Lake Gold

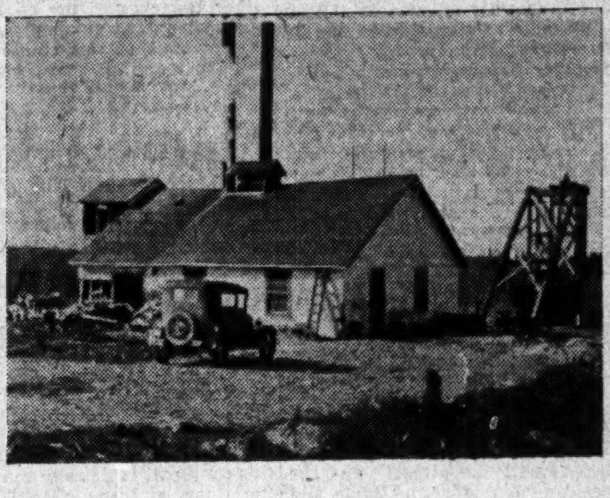
Unit holders of Herbin Lake Gold Syndicate at a meeting held recently approved the formation of a new company to take over the syndicate's group of 17 claims in Bourlamaque twp., Que., and a group of nine claims in the new Sturgeon River area.

The Sturgeon River claims are held by the Sturgeon River Staking Syndicate and will be turned over to the new company, which is to have an authorized capitalization of 3,500,000 shares, for a consideration of 750,000 shares. The Herbin Lake Syndicate will receive a like amount for its Bourlamaque holdings. Unit holders of the latter syndicate in addition to receiving 100 shares in the new company for every unit held will also receive rights to subscribe for further shares at a discount of 25 per cent from the preliminary offering price.

News of Canadian Mining Investments

Vanguard of Kirkland Lake Camp





Surrounding the Kirkland Lake gold camp, and especially to the east of the townsite, much activity is going on. The area contains properties in all stages of development, from the surface stage, to actual production. These pictures were taken last week by The Financial Post. Top row, left to right, shows the mill on Macassa's property, which is immediately west of Kirkland Lake Gold Mines; Bidgood Kirkland camp, showing shafthead, ore dump and mill. This property is also treating ore from a leased portion of the Moffat Hall property adjoining.

Second row, left to right shows the shaft on the Moffat Hall property, ore from which is trucked to the Bidgood Kirkland just visible in the background. Centre is the shaft head and some of the buildings on the old Tough-Oakes-Burnside property, now the Toburn, controlled by Premier. To the left is shown the power house on the Lakeside Kirkland property, formerly known as the Queen Lebel.

Bottom row, left to right includes a view taken from the ore dump on the property of Kirkland Gold Belt, which company has advanced to the stage where a mill is being considered to start operations early in 1935. The Goodfish Mining Co.'s shaft No. 1, with a general view of the property is next. To the right is the test shaft being sunk to a depth of 50 ft. by the Lebel Lode Mining Co., for Scottish financial interests. This property has seen considerable surface work, and it is planned to start the main shaft early next year.

Scanning Easterly Belt Kirkland Lake Gold Camp Sees Promising Prospect

Longevity of Rich Area Assured, Visitor Convinced

LEARN FROM PAST

Bitter Experiences of Former Failures Give New Operators Costly But Useful Lesson

By Staff Editor

Gold rushes may come, and gold rushes may go; Kirkland Lake is convinced that it is going on, if not forever, at least until the day before.

As basis for this conviction, any Kirkland Lake enthusiast will point to the sincere but unostentatious development being carried out along a comparatively narrow belt which extends from the townsite east, almost to the Quebec border.

In a recent trip through this area, The Financial Post was impressed by the conservative and painstaking thoroughness with which this ground is being explored and re-explored. By no means a new area, the operators in this district seem at last to be reaping the costly lessons of experience. Absent from this camp are the flamboyant optimism, the get-rich-quick attitude and the wild stories of sensational discoveries which have come to be an accepted feature of newer gold rushes.

"Learned Our Lesson"

Typical of the spirit with which this revival is being carried through is the statement of one engineer in charge of an old property just outside the townsite proper.

"There's been a lot of money sunk in this district in the past," this man remarked to The Financial Post. "Most of it might as well have been tossed into the middle of Larder Lake, not because of lack of merit in the ground itself, but because everybody was in too great a hurry. Most of us have learned our lesson. That's one good effect the depression has had on mining. People haven't got so much money, and aren't as anxious to lose it as they seemed to be in the past. You don't hear many people talking of mills around here unless they are sure of at least six months operation. You couldn't say that a few years ago."

So the new Kirkland Lake activity is building on the experiences of the past, and not on the will-o'-the-wisp ahead. When so much is being heard of the new fields, this point alone would make Kirkland Lake's vanguard newsworthy.

Bulwark of the Kirkland Lake camp is still, of course, the mineralized zone some two miles in length, on which are situated some seven leading producers, five of which are regular dividend payers, and one of which, Macassa, recently paid a well-earned interim dividend of five cents a share. In order of magnitude of operations, these mines are Lake Shore, Teck-Hughes, Wright-Hargreaves, Sylvanite, Toburn, Kirkland Lake Gold, and Macassa.

Looking to East

But with a comfortable consciousness of the strong position shown by the majority of these mines, Kirkland Lake camp is looking to the east for expansion, and longevity.

After passing Toburn Mines, formerly the Tough-Oakes-Burnside property, and most easterly link in Kirkland Lake's chain of producers, one strikes the property of Glenora Gold Mines. This company's gold prospect comprises six patented claims, which adjoin the property of Toburn. To date four veins have been discovered on the Glenora property and partially opened up. There is reason to believe that two of these veins are an extension of the south vein system which has enriched Lake Shore, Wright-Hargreaves, Sylvanite and Toburn. The north vein, part of which is on Toburn property, has been opened up for over 800 ft., of which about 240 ft. is on the Glenora property. The company states that assays from this vein averaged $19.72 per ton, across a width of 17 inches, and at $35 gold.

In keeping with the recommendations of the engineer, the property, at the time of The Financial Post's visit was being diamond drilled, and some surface work was being carried on. At the present time the company is sinking some shallow holes along the promising north vein. Later, it is planned to sink a couple of deep drill holes to explore the extension of the main vein system at 1,000 ft. or more. The sinking of a three compartment shaft, also recommended by the engineer, will start, company officials state, after the drilling campaign has proved indicated values.

Lebel's New Deal

Further down the line, the property formerly owned by the Queen Lebel Gold Mining Co. is getting a new deal under the management of Lakeside Kirkland Gold Mines. The previous owners of this property had sunk a shaft to 320 ft. and had done about 600 ft. of drifting on the 300-ft. level. That was nearly ten years ago. Now, under the direction of R. D. Callin, engineer in charge, the shaft has been dewatered, and drifting is being continued on three veins to the north. The crosscut has now been extended 250 ft. in this direction. Drilling on this property to the north and south has shown fair values. The company has about 21 men employed on the property, and have leased the bunkhouse from the neighboring Conroyal mine.

Centorico and Conroyal

Adjoining the Lakeside Kirkland workings is an old property on which about $450,000 has been spent, and which, with a new organization under way, is being diamond drilled in a different section from the former workings. This is the old Conroyal group, whose property is traversed by the Nipissing Central Railway. This year, after several reorganizations and a somewhat troubled financial career, the assets of the company were sold to Centorico Gold Mines, organized for the purpose. At the time of this transaction, Conroyal had about 3,560,000 shares outstanding, and a bonded indebtedness of $33,000 which was two years in arrears, officials of this company have informed The Financial Post. With accrued interest, this bonded indebtedness amounted to nearly $40,000. The new company agreed to pay off the bondholders by issuing 400,000 shares of the new stock. An additional 700,000 treasury shares in the new company were issued to old shareholders.

When The Financial Post visited the property, the company was drilling its second hole, in the north end, to prove vein extension. The work had not progressed sufficiently far to give any estimation of the success or failure of this endeavor.

North of the highway to Noranda, and two miles from Kirkland Lake an interesting development is going on on the property of Lebel Lode. Here the vein is being tested on the dip by means of a 50 ft. shaft, which, started on Sept. 13, was near completion at the time The Financial Post visited the property. The present work is being done at the request of Scottish financial interests which are considering backing the project. R. S. Stewart, a Scottish engineer, is, at the time of writing, studying the property, and will shortly return to Scotland to make his report.

Start Shaft in March

Lebel Lode property comprises 173 acres, and preliminary development work has been, under the personal direction of J. J. McNab, president. Altogether a total of 3,500 ft. of diamond drilling has been done on this property, and 150,000 ft. of trenching. Values encountered have been extremely varied, ranging from $2 to as high as $361, with gold at $20.67, Mr. McNab told The Financial Post. The property is equipped with compressors and blacksmith shop, and although present work is being done by gasoline power, electric power is very close. Mr. McNab stated that it was planned to start on the main shaft early in March. This property was reported on by P. E. Hopkins, who recommended the present plan of campaign.

Probably the most advanced of this group of youngsters and rejuvenated youngsters is the property being worked by Kirkland Gold Belt Mines, which is now considering a mill. If the company decide to erect a mill, The Financial Post was told by Howard Brassau, engineer in charge, work on its erection will start early in the new year. The shaft on this property is now down 750 ft., with lateral work being concentrated on the 625 and 750-ft. levels. This property, which was acquired from the Wood-Kirkland Gold Mines, is showing interesting results at depth, and it is the firm conviction of company officials that the ore zone being worked at these levels is coming up from below, and is not directly connected with the showings at higher levels. At present, about 20 men are employed at the property.

Bidgood-Kirkland Active

Surface exploration on this property revealed a vein several hundred feet long, showing an ore shoot 135 ft. in length, and giving values of $11.20 across a width of four feet. Estimated ore reserves are over 30,000 tons, company officials state. This company's property is also crossed by the Nipissing Central Railway.

Almost directly north of the Kirkland Gold Belt property is that of the Bidgood Kirkland and of Moffat-Hall Gold Mines. It will be recalled that in August of this year, Bidgood took over the operating lease on 10 acres of the Moffat-Hall Mines.

In addition to ore obtained from two of the three shafts on the Bidgood property, the Bidgood mill is at present handling ore from the Moffatt-Hall lease. This ore is trucked the few hundred yards which separates the Moffat-Hall workings from the 100-ton capacity mill on the Bidgood property. At the time of The Financial Post's visit, the Bidgood mill which started in July of this year, was handling about 50 tons of ore daily. The company is a regular shipper of gold bullion, shipping every two weeks, O. L. Knutson, engineer in charge, told The Financial Post. The first brisk, which was poured late in August, had an estimated value of $5,000. There are three shafts on the Bidgood property. The first shaft has four levels, and is 925 ft. deep. The second has five levels, and goes down to 525 ft. The third shaft, which was not being worked when The Financial Post visited the property, is down about 825 ft.

Goodfish Workings

On the Moffatt-Hall property, to the south east of Bidgood, work has been confined to dewatering the shaft and underground workings to a depth of 550 ft.

Northeast of Kirkland Lake townsite and about three miles away is another interesting property, now being aggressively developed by the Goodfish Mining Co. This company, a reorganization of the Goodfish Gold Mines, is resuming the work done by the former company, and has, as mine superintendent, I. Mosher, father of Alex. Mosher. W. J. Watson is engineer in charge. The work is being concentrated on two of the three shafts on the property.

On the number 1 shaft, which, under former operators, was sunk to a depth of 600 ft. dewatering has been done to a depth of 300 ft. The No. 2 shaft, which has a depth of 350 ft., has been dewatered to 200 ft. The company has a complete electrical plant, and at the present time is employing about 20 men. Both the number one and the number two shafts are being used.

An assay sheet showed varied values from the underground workings to date, averaging roughly about $15 per ton at $20.67 gold.

The above summary is an attempt to cover only a few of the major new developments which are giving Kirkland Lake camp enthusiasts basis for their prediction of longevity. This does not mean that there is any indication that the present big producers are on the wane. A visit to Lakeshore, which operates the largest gold producer on the North American Continent, will give a typical case of the fortunate position in which most of the "big seven" find themselves. In most of these mines, the higher price for gold has definitely prolonged the life, of the mine, and attention is being profitably turned to lower grade ore at higher levels. At Lakeshore, mine developments have reached a depth of 4,550 ft. but ore for the mill is being obtained from the 2,000-ft. level and upward. On the current bullion production basis it is estimated that the company's life will be at least 20 years.

The same story can be told of the majority of the other big producers. So that the longevity of the Kirkland camp is by no means dependent on the new activity. If, as seems reasonably certain, the camp gets two or three new producers from the eastward activity, the future of Kirkland Lake, as a gold camp, already assured, will be that much greater. Located as it is almost at the junction of the T. & N. O. and the Nipissing Central, Kirkland Lake apart from its gold merits, has great possibilities as a distributing centre for other northern camps.

Recorders Kept Busy By Sturgeon Activity

From Our Own Correspondent

SUDBURY.—The Sturgeon River-Little Long Lac mineral area, the scene of a spectacular gold rush, is providing much extra routine for recording office staffs these days. A report from the North Bay office of the Department of Mines, through which all records pass from the various recording offices in Northern Ontario, shows that the Sturgeon River district has been responsible for about 65 records daily on the average. One day recently no less than 180 claims were mapped at the North Bay office. The demand for blue prints of Sturgeon River maps has been enormous.

A "break" stretching from Lake Nipigon to Little Long Lac, 55 miles in length, has already been staked. Claims have been staked on both sides of the Sturgeon River, east of Lake Nipigon.

FORCE COMPANIES TO REVEAL FACTS OF OPTION TERMS

Exchange Strengthens Listing Requirements—Lee Gold Facts

Listing requirements of stocks on the Toronto Stock Exchange have been further strengthened with the introduction of a new regulation making it compulsory for all companies whose stock is listed on the Exchange to furnish information regarding treasury options and underwritings.

In a statement issued this week the management committee of the Exchange announced that not only will companies be required to furnish copies of every underwriting, option and other sales agreement entered into with respect to treasury shares, but the managing committee will have power to disapprove of the terms of such agreement. In case of disapproval, the agreement shall not be proceeded with by the company or its shares shall be removed from trading.

Immediately following the announcement of the new regulation the managing committee gave notice that the former option on treasury shares of Lee Gold Mines has been terminated and that a new option has been entered into as of August 14 on the following basis:

40,000 shares at 12 cents by Sept. 6, 1934; 50,000 shares at 14 cents by Oct. 6, 1934; 50,000 shares at 15 cents by Nov. 6, 1934; 50,000 shares at 15 cents by Dec. 6, 1934; 50,000 shares at 17 cents by Jan. 7, 1935, and 50,000 shares at 17 cents by Feb. 6, 1935.

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New Exchange to Cater To Junior Mining Issues

Another effort is being made to give Toronto a second stock exchange for the trading of mining securities. Announcement was made late last week of the incorporation of the Ontario Stock Exchange Ltd. under an Ontario charter, the purpose of which is, according to an official statement issued by E. A. R. Newson, one of the provisional directors, "to provide an open market for many of the junior mining issues which are not now listed upon any exchange and to provide trading facilities for the many brokers in Toronto and elsewhere who have not now seats upon any exchange."

While the exchange is as yet only in the process of organization and few details have been made public as to regulations, listing requirements, commissions, etc., an informational circular issued this week over the signature of William T. Stewart, who is provisional president of the company, states that it is expected that operations will be commenced not later than Dec. 1, 1934. One of the company's by-laws, the circular states, requires the minimum sum of $25,000 in cash to be on hand before the exchange can commence operations and further provides that in event of the exchange failing to start operations before March 21, 1935, all payments by way of subscriptions to seats on the exchange shall be returned without deduction.

Have New Charter

While no information is available as to what interests are behind the new exchange other than Mr. Stewart, who is president of Edgecreek Consolidated Gold Syndicate and Stewart-Abate Mines, and E. A. R. Newson, a former partner of Attorney-General Arthur Roebuck, it is claimed that a number of Toronto brokers have been prominent in promoting the new enterprise. No information as to the personnel of membership will be available until the exchange is ready to commence operations which will not be until a minimum of 25 members has been obtained, Mr. Stewart told The Financial Post.

Membership in the exchange is being offered at $1,500 and applications for seats must be accompanied by a marked cheque for this amount. Applicants must be Canadian citizens, maintaining offices in the province of Ontario, and brokerage businesses may not be conducted by a limited company. Members must be prepared to comply with audit requirements of the Ontario Securities Commission.

Denial was made by Mr. Stewart that the company has acquired the charter of the old Dominion Stock Exchange. "We are an entirely new incorporation with a new charter," he said.

While no license has been obtained from the Ontario Securities Commission to operate what is tantamount to authority to carry on operations has been given, Mr. Stewart states, the entire constitution of the exchange has been scrutinized and passed on by the Ontario Securities Commission, he says, and assurance has been given that authority to operate will be given as soon as the requirements are met. This assurance was received from Col. Geo. A. Drew before he was retired as Securities Commissioner.

August Figures Set Year's High For Gold Output

Canadian gold production in the month of August was the highest recorded in any month since June, 1932, figures issued by the Dominion Bureau of Statistics show, advancing to 264,870 ounces from 245,516 in the preceding month. In August, 1933, production totalled 257,607 ounces. The output for the first eight months of 1934 amounted to 1,944,196 ounces or 1.7 per cent below the total for the corresponding period of 1933.

The estimated world output in August was 2,240,000 ounces as compared with 2,224,000 ounces produced in July. Transvaal's production was 882,000 ounces as against 879,000 ounces in the previous month. In the United States, including the Philippines, 239,000 ounces were produced in August or 4.4 per cent below the July total of 250,000 ounces.

HOPE MINTO MILL TO START OUTPUT BY NOVEMBER 30

Foundations Poured on Interesting New B. C. Property

Satisfactory progress is being made in building the new mill at Minto Gold Mines, Ltd., Bridge River area, B.C. according to latest advices from the company. Concrete for the reinforced foundations has been poured and work on the building is under way. Mill timbers are being cut by the company's own saw mill from logs felled on the property. The mill site is 15 yards from the portal of the working tunnel beside the main Bridge River highway. A concrete retaining wall 85 ft. long and 20 ft. high has been built to support the road and to serve as the back wall of the mill structure.

Let Mill Contract

Milling equipment is ordered and the contract let for installation. The crusher is now on its way from England, and, together with the ball mill being constructed in Vancouver, is expected to be on hand before the end of the month, when the mill building will be completed. The first unit of the mill as designed will have a rated capacity of 50 tons per day but can be stepped up to 75 tons at small expense. Company officials expect the new plant to be turning over by the end of November, which will be exactly one year from the date that power for mine development was first turned on.

G. Allen Crane, M.E., director and consulting engineer, estimates reserves of mill grade ore in the mine at 92,9000 tons and on the dumps at 5,600 tons, or a total of 98,500 tons. Ore tests have indicated that 45.7 per cent recovery of the gold content will be made by amalgamation in the new mill. First shipments of concentrates will probably be made to the Tacoma Smelter where the balance of the values will be recovered. Meanwhile, further tests at the Trail Smelter will be carried out while the company conducts experiments to determine the feasibility of treating concentrates on the ground.

THREE NEW WELLS FOR SO. TURNER SURVEY PREDICTS

Expect Newcomers to Be in Production Early in November

From Our Own Correspondent

CALGARY.—Three south Turner Valley wells are expected to come into naphtha production during the latter part of October or in November. They are Publix No. 1, Spooner-Anaconda No. 1 and Pacalta No. 1. The first named well, at last report, was drilling just on top of the limestone, which is the naphtha producing horizon in Turner Valley. The same situation prevailed at the Spooner-Anaconda well while arrangements were being made to drill Pacalta on the last lap to production in the limestone with rotary equipment, the standard cable tool equipment having been discarded several weeks ago.

Other wells actually drilling in the south end of Turner Valley are Calgary Brokers No. 1, which has just resumed from 4,200 ft.; British Dominion Royalties, drilling below 3,380 ft.; Myres-Wright Syndicate No. 1, drilling below 1,500 ft.; New McDougall-Segur No. 7, drilling below 2,425 ft.; Renfrew Royalties drilling below 2,300 ft.; and Union-Freehold, drilling below 4,300 ft. Production is usually obtained between 5,000 and 5,800 ft.

Sturdy Watson Structure

Of late the possibilities of the Watson structure, south of the Turner Valley field, have attracted the attention of oil companies, hoping to make a crude oil discovery. A well to be known as Mar-Jon-Maxmont, financed by Vancouver companies, is to be spudded shortly on sub-division 10 or section 20, township 9, range 2, west of the fourth meridian. Another well known as Source Rock has been located on subdivision 13 of section 21. Mar-Jon No. 3, on the same structure, was spudded recently and was being drilled in the Benton formation (the first) at last report. Raven No. 1, being drilled by Raven Oils, the fourth well on the structure, was down 1,400 ft. at last report.

The other interesting wildcats in southern Alberta are the Ranchmen's on the Aldersyde structure, where the drilling crew are still endeavoring to run casing to the bottom of the hole, below 6,000 ft. to permit continued exploration of an oil sand; the Oil City Royalties well at Waterton Lakes, down about 1,980 ft. and drilling; and the Hunter Valley well on the Hunter Valley structure, west of Olds, down about 4,140 ft. with some showing of gas.

Wekach Gold Mines Claims Rich Strike at Flin Flon

From Our Own Correspondent

FLIN FLON, MANITOBA. — Wekach Gold Mines is reported to have struck rich ore in its shaft on the No. 2 vein at a depth of 20 ft. This shaft is being put down on a wide mineralized zone as an exploratory shaft, under the direction of Ed. Elliott, mining engineer, The Pas. The company also made a discovery of another vein lying to the northwest, five feet. wide and showing good mineralization. This is being sampled and assayed.

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Editors Tipster Sheet Journals Are Denounced by Colonel Drew

Describes "Hush", "Mining Reporter" and "Mining World" as Vicious Abuses of Public Confidence

Colonel George A. Drew, until recently Ontario Securities Commissioner, in an address to the Electric Club in Toronto last week on "Financial Racketeering" gave first place among "the vicious abuses of public confidence" to tipster sheets. He advocated immediate legislation to enable security commissions to control such sheets and to hold them accountable for the harm they do. As examples in Toronto of such sheets and of editors who flourish by their publication he instanced "Hush" and its editor, Strathearn Boyd Thompson, "The Mining Reporter" and John H. Roberts and "The Mining World" and Denby Lloyd. He also referred to the radio talks of "The Old Counsellor," who is Leigh Brooks and told of his career.

At the outset of this portion of his address Col. Drew eliminated from serious consideration the circulars that flood the mails offering free advice about all kinds of stocks. That type of tipster sheet should deceive none, he thought. The law could not do much to help people who accepted printed statements about something of which they knew nothing from people of whom they knew less. The free circulars condemned themselves.

Masquerading As News Sheets

Much more dangerous he considered the tipster sheets which masquerade in the form of a newspaper. These try to give an impression of sincerity and respectability by devoting a large part of their space to articles and comments on well-known companies and the possibilities of their securities. They mask their real purpose often by crusades against the dangers of margin trading, bucket shop operations and then scatter here and there reports and comments on issues in which they really are interested. The latter they wish to unload and they are seriously discussed with well-known stocks to get the public to associate the stocks in their minds with worth-while securities.

By offering to answer questions about investments such papers acquire "a red-hot suckers list" and they find out about holdings of those on the list and it gives them valuable information which they make use of. The mere fact that real service is given by the large daily newspapers, by weekly publications of the standing of The Financial Post, Saturday Night and The Northern Miner makes these tipster news sheets more dangerous to the public that does not discriminate, says Colonel Drew. The tipster newspapers have no corresponding source of information as those reputable newspapers which spend large sums of money to get accurate information and to assure themselves of the reliability of the advertising material accepted.

Tipsters Attack Stock Exchange

First, Colonel Drew devoted his attention to Mining Reporter and its gleeful article, "Exit Colonel Drew." "The reason for its joy at my departure," remarked Colonel Drew, "may perhaps be guessed in that part of the editorial which is in block letters 'He was a good servant of the Stock Exchange but no friend of the mining investor or mining financier.' Here we have the very essence of the tipster sheet. The Stock Exchange, where there is some control over securities, is an obstacle to papers of this type. They want no control and no information; they want to be free to play their sweet game of cultivating some pet stock without restraint of any kind.

Raysol Roberts

"The solicitude of The Canadian Mining Reporter for the dear investor is not very convincing when one recalls the past record of its editor, John H. Roberts, whose objectionable activities in the publication of 'The Axe' are well known. You will remember that he pleaded guilty to a charge of criminal libel published in that paper. He also had the contract for the distribution of the remarkable mineral water Raysol which cured everything but death itself. In this he was quite successful until the Montreal Better Business Bureau issued a report that, according to the laboratory at McGill University, it had exactly the same content as Atlantic seawater."

The attack by Mr. Roberts on Col. Drew's administration because of his refusing a license to W. J. Beckett last June and the latter's suggestion that he might be given an opportunity to state his case before a court led Col. Drew to give details of the reason for his refusal, as follows:

"Mr. Beckett came to Canada about the 1st of October last year from England. He acted as a salesman for a short time, and then organized W. J. Beckett & Co. Ltd., which received brokerage registration in December.

"Bankrupt," "Warrants Out"

"From then on he had a most spectacular career. His staff of salesmen grew to surprising proportions. Twice a day he gave a radio broadcast, offering advice in regard to various stocks. By the Spring he had more than a hundred salesmen. Circular letters and the telephone were used on a large scale. His first offices became too small and he took a five-year lease on the old Hydro-Electric Building.

"Then, I received a call from Mr. Beckett. It was the first time I had seen him. He told me of his very successful career in Australia and how he had retired about four years ago and later visited England. He told me of his very successful career in great detail. He now had decided that mining in Canada offered the greatest opportunities, and he was going to take his part in the development of this great enterprise.

"I was not very much impressed with Mr. Beckett, and his voluntary assurances of good faith aroused my suspicions. I checked the references we had received and they were satisfactory. I don't know yet how they were obtained. As he told me he was an Australian and had recently been in England I made enquiries in both countries. From Scotland Yard we learned that there were warrants out for his arrest in Manchester and Dublin. From Australia we learned that he was an undischarged bankrupt, following a long succession of extremely unsavory company promotions.

"I immediately ordered an investigation, to which Mr. Beckett refers in his letter as unjustified persecution, and as part of that investigation an audit was made of his books.

Mining "Golden Star" Shareholders

"Among several stocks in which he had been interested his particular favorite seemed to be Golden Star. This was a very interesting company indeed.

"The Golden Star Consolidated Mines Ltd. was organized in February, 1934, with W. J. Beckett as President, which took over an old property once known as the Golden Star Mines, and said to have produced some gold between 1897 and 1900.

"Mr. Beckett, who had come all the way from Australia to give us the benefit of his energy and experience, decided to put this old property on the map and was so convinced that the Golden Star Consolidated Mines, Ltd., of which W. J. Beckett was president, was a good investment for the public, that he persuaded W. J. Beckett & Co., Ltd., of which he was also president, to advocate this as a wonderful buy.

"As a great privilege, he arranged for the Golden Star Consolidated Mines Ltd., to give an option to W. J. Beckett & Co. Ltd. on its valuable stock and W. J. Beckett & Co., Ltd., were able to sell between the 17th of March and the 23rd of May, 1934, stock to the amount of $71,915.

"Out of this, for their hard work in selling the shares of Golden Star Consolidated Mines Ltd., W. J. Beckett & Co. Ltd., retained $47,093 as their profit, leaving $24,822 available for the mining company. As of the date of the audits on May 23, 1934, $6,268 was still due to the company from W. J. Beckett & Co., so that as of that date out of $71,915 the Golden Star Consolidated Mines, of which Mr. Beckett was the energetic president, had received a total of $18,554.

"Real Killing" Stopped

"Mr. Beckett was running true to form and while unfortunately he had been able to make some inroads into the money of the Ontario public we were able to stop him at a time that he was just about ready to make a real killing.

"There was never any warrant for Mr. Beckett's arrest out in Canada. Unfortunately, none of the things we discovered constituted a basis for prosecution under the laws that now stand. We were, however, able to cancel his registration which was immediately done.

"Mr. Beckett urgently demands a trial. If he is sincere in this desire, I would suggest that he use some of the outrageous profits he has made in his brief career of financial piracy in Ontario and take a trip to England where his desire will be promptly granted, according to recent cabled advice I have received...

"Lloyd" and "Mining World"

"And now let me deal with another interesting publication... the Mining World, which sees a new era dawning with my departure from the Parliament Buildings. It is directed by a man who is not at all kindly disposed toward me in view of the fact that his registration was refused, and also that I took necessary steps to enforce the return of several thousand dollars of other people's money as a result of some activities of his during the past year.

"I have long urged that those operating papers of this type should not be permitted to hide behind the veil of anonymity and since Denby Lloyd, who runs the Mining World, has seen fit to attack me in this way I think it is high time I pointed out to the public of Ontario that the subheading 'Mining Facts and Fakes' is very appropriate indeed.

"In order to get his disinterested advice in regard to your holdings and free comments on what you should do to protect your interests you merely ask Midas and you obtain 'The plain truth about your investments.'

"Since the investors of Ontario are apparently being misled by this paper they have reason to be warned that it is directed by a man with five convictions under the Criminal Code, the last of which sent him to Kingston Penitentiary for five years for the theft of more than $50,000 in securities. There is nothing to prevent him, or anyone else, running a paper of this kind, but when one knows his record the real reason for his constant attacks on the Stock Exchange and the reputable brokers of this community may be easily guessed.

"I do not wish you to misunderstand my reference to this man's criminal convictions. It was never my policy, nor do I believe it should ever be the policy of any official charged with similar duties, to refuse to permit a man to re-establish himself in gainful occupation... I adopted the policy of registering a number of men, under adequate safeguard, who had been convicted of one, and in some cases, even two offences, where it appeared that there might be some doubt of any well-defined criminal tendency. But that is an entirely different thing to permitting a man to sell securities in the province of Ontario who, by his record, has shown time and time again that he is not to be trusted.

"Hush" and Editor Attacked

"And then I come to that weekly insult to everything that is decent published by Strathearn Boyd Thompson. He has succeeded in building up a circulation for his filthy rag by an appeal to all that is lowest in human nature to a point where he now must be recognized as a real menace in the Tipster Sheet field. This 'newspaper with a heart' offers free advice to the investing public under the heading 'Stocks to Buy: Stocks to Sell.' Again you have the picture of well-seasoned securities carrying an air of conviction to the arguments on behalf of those in which Mr. Thompson has a very strong personal interest. If Mr. Thompson would disclose the names of those in which he has received promotional shares, the investing public would discover that the heart of this newspaper is at one time gold, another time silver, another time copper, another time oil, or another time just good old beer, depending on the interest of Mr. Strathearn Boyd Thompson.

"If you have a circulation of seventy or eighty thousand, no matter how low the appeal upon which that circulation has been based, one cannot ignore the effect that the steady touting of a certain stock is bound to have, and it makes it very convenient for Strathearn Boyd Thompson if those stocks in which he has a personal interest respond to the disinterested advice of Hush.

Mr. Thompson Sheds Tears

"Mr. Thompson feels so badly for the poor misguided public. In his pleasant little special articles he says, 'It is our painful duty to inform the public that under the very nose of this prejudiced, pompous and misguided public official crime raged rampant, and public welfare was disregarded. Therefore, we say, let us give sincere and humble thanks that the reign of this tyrant has come to an end.'

"'And now let us turn,' says Mr. Thompson, 'to that institution which always received the sympathy of the benevolent servant, Colonel Drew!' Horror of horrors, we have trotted out before our gaze that institution so condemned by tipster sheets of this type for the reasons I have already explained. Please do not think this is anything new, or anything particularly local. For many years, during the period of increasing financial activity, after distress, the tipster sheets in New York, Chicago or London have run true to form, and always attack the Stock Exchange so that money may be left free for those well-tipped stocks in which the tipster has such a keen parental interest.

Meet Leigh Brooks

"According to Mr. Thompson I was merely the mouthpiece for that dreadful organization. He tells us 'It remains to be reiterated that Drew interfered with a conscientious radio broadcaster who advised the sale of whisky stocks when at their peak. Did he do this at the request of whisky insiders and interested members of the Toronto Stock Exchange?'

"'I was not at all interested,' said Mr. Thompson, 'in those activities of Mr. Leigh Brooks which had to do with whisky stocks.' Mr. Brooks, who became known to the radio audience of Ontario as The Old Counsellor had the whole box of tricks of the high pressure racketeer which he learned in New York and improved in a post-graduate course in England during the period of activity of certain Americans who had a great deal to do with the passing of the section in the English Companies Act prohibiting the sale of stocks from house to house.

"I put Mr. Leigh Brooks out of business because he was running a racket of well-known variety in the sale of Maple Leaf stocks. The company, with which he was associated, had options on this stock on a sliding scale and advancing with each new block purchased. By the radio and by circulars under the title 'The Old Counsellor,' public interest was developed progressively in this stock, so that it could be constantly sold at a price well in advance of the prices at which it was being taken up under option. Urgent appeals would be made by circular and by radio to get in on this hot tip before it was too late. The Old Counsellor only had your own interests at heart. He, of course, was not at all interested in maintaining the price well in advance of that at which Maple Leaf stock was being taken up from the treasury of the company. When this dishonest sales promotion stopped this stock immediately had a precipitous fall in price, which is the inevitable result of selling under progressive options of this type That is one of those things which I had included in my draft of recommendations.

"I might explain that Mr. Leigh Brooks was given every opportunity of re-establishing himself. I merely stated that before considering his application for registration I would require to have his statement under oath in regard to his interesting activities during the past few years. I also wished other items of minor importance, such as, his real name and the name of those associated with whom he had been operating while he was in England. I have discovered that the gentry of this type have a wholesome respect for our criminal laws relating to perjury and that it is very useful to have any statements of this type made under oath. In fact, they are of no use whatever unless they are made under oath.

Besieging Queen's Park

"But perhaps Mr. Thompson's solicitude for Leigh Brooks will find its reward. When I said that I would be very glad to deal with the matter as soon as Mr. Brooks cared for such an examination I next heard from him when he very courteously wrote to me from the Ritz Carlton in Montreal informing me that he had decided that he was no longer going to do business in Ontario. He has, however, found new interests in this field for his earnest endeavors on behalf of investors and is at present showing a marked interest in Queen's Park, doubtless merely for the purpose of studying the interesting architecture of the Parliament buildings.

"Mr. Thompson's interest in Mr. Leigh Brooks offers remarkable similarity to those of John R. Roberts for our Australian visitor, Wm. J. Beckett."

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New Company to Open Old Cryderman Mine

A new company, Cryderman Gold Mines, has been formed to resume operations on the Old Cryderman Mine in the Rice Lake district of Manitoba, about ten miles east of San Antonio Mine, and a Canadian and United States financial group has undertaken to provide sufficient capital to bring the property into production.

The property to be worked by the new company consists of 30 claims, approximately 1,400 acres, which were staked by Russell Cryderman. From 1928 to 1932 operations were carried on under the direction of Cryderman Mines, Ltd. This company did extensive surface development and sank a two-compartment shaft a depth of 250 ft., with levels established at 150 ft. and 250 ft. Drifting was done on both of these levels and $28,000 of gold produced.

Due to the increase in the price of gold prospects of profitable operation of the property are much brighter than previously. The plans of the present company call for a thorough examination of the underground workings and sinking the shaft to a depth of 1,000 ft.

The company has an authorized capitalization of 3,000,000 shares of which 971,744 shares have been issued. Of this amount 900,000 shares were issued for properties and development and 71,744 shares sold for cash. The company is headed by James Stewart of Winnipeg as president. Other officers and directors are as follows: G. S. Thorvaldson, Winnipeg, vice-president; Roy S. Love, Winnipeg, and Walter E. Shean, Toronto, directors; Donald G. Elliott, secretary-treasurer. J. C. Houston, M.E., Haileybury, is consulting engineer.

At the Mines

Bruell Gold Syndicate.—Surface trenching has traced the principal vein on the Bruell Gold Syndicate's property in Vanquelin Twp., Que., for an additional 1,700 ft., giving it a known length on the surface of 2,500 ft., according to a progress report issued over the signature of Eugene Frey, mining engineer. The width of the vein varies from three to six ft. Samples taken from a nine-ft. pit assayed 1.16 oz. of gold per ton.

* * *

Greene Stabell—The company's mill is handling ore at the rate of 2,400 tons per month, it is officially announced. Output for the nine months ended Sept. 30 was approximately $189,000. Ore reserves are being added to as work proceeds. Average recovery so far has been $11.85.

* * *

Pioneer Gold Mines—Pioneer Gold Mines of B. C. reports September production at $252,000 as compared with $262,300 in August. Net profit before depreciation and depletion is estimated at $189,000. In the preceding month profit was calculated at $190,000.

* * *

South Tiblemont—It is officially reported that South Tiblemont Gold Mines is seriously considering suspension of underground development at its property in the Tiblemont gold area of Quebec due to erratic mineral conditions. Results of underground work have not been favorable. Further exploratory work, however, is to be done by diamond drilling.

* * *

Vicour Gold Mines—Anglo-Huronian has undertaken to finance this property, which was formerly financed by Teck-Hughes. Under the new deal, made through an agreement with Quebec Gold Belt Mines, which controls Vicour, an initial payment of $50,000 will be followed by similar payments every 60 days until $250,000 has been advanced. Then 500,000 shares will be taken up at 50 cents per share, and later on, 425,000 shares at $1 per share.

Slight Increase Shown In Vidette Production

From Our Own Correspondent

VICTORIA.—Vidette Gold Mines production for September was understood to have been slightly more than that of August, in spite of further minor equipment breakdowns and changes during the month. August production was $14,242 and although no official figures are yet available it is understood that September figures will top this by a slight margin.

Values are understood to be maintaining a level of just under 1 oz. per ton, with the concentration ratio averaging 18 to 1.

Development is being carried steadily forward on the 2nd and 3rd levels with diamond drilling and blocking out of new ore being carried on at a satisfactory pace.

The company road from Tobacco Flats to the mine is now within 3½ miles of the property.

Bulolo Gold Output Higher For September

From Our Own Correspondent

MONTREAL.—Bulolo Gold Dredging reports September production of 10,985 ounces of fine gold from 930,100 cubic yards of gravel. Estimated working profit was 8,161 fine ounces, which amounted to $272,090 in Canadian funds with gold valued at $35 per fine ounce, according to reports given to the Montreal Curb market. This compares with August production of 10,001 ounces with estimated working profit of $262,700.

C. & E. CORP. SHOWS BETTER POSITION IN ANNUAL REPORT

Profit For Year $104,201, as Compared With $83,178 in 1933

Material improvement in operations of Calgary and Edmonton Corporation is shown by the company's annual report for the fiscal year ended June 30, 1934, profit from all sources amounting to $104,201 as compared with $83,178 in the 1933 fiscal period.

Profit on realization account after all expenses totalled $105,758, an increase of $38,156 over 1933. Gross returns from mining rights and minerals including $128,037 received or due on royalties amounted to $132,477. Expenses totalled $26,719, leaving $105,758 surplus for the year. Previous balance in realization account was $333,179, so that the amount carried forward to balance sheet in this account was $438,937.

In addition earnings of $19,666 were reported from interest on bank balances and investments. After income tax adjustments back to 1929 totalling $16,223 and a deduction of $5,000 as contingent reserve the profit and loss account showed a deficit of $1,557, reducing the profit and loss balance carried forward to balance sheet to $40,332 compared with $41,889 at the end of the previous year.

Two Surplus Accounts

Calgary and Edmonton maintains two surplus accounts. One is termed realization account and represents proceeds from disposition of mining rights and royalty income after expenses. The other is termed profit and loss and takes account solely of interest income, against which income taxes and reserves are charged.

The improvement in earnings is especially gratifying in view of the cut of 95 cents a barrel in the price of Turner Valley naphtha in effect the latter seven months of the year. H. F. Osler, president, in submitting the financial statement to shareholders stated that while the drop in price had been somewhat offset by an increase in the sale of gas to Royalite Oil Co. for the Calgary pipe-line system, nevertheless revenue had been seriously affected. An increase in the consumption of gasoline in the western provinces is looked for during the coming year but it cannot be expected that the price of crude naphtha will advance until the western market is such as to adequately take care of the increase in production which has taken place in the Turner Valley field during the past year. Whereas sales in Alberta have been declining production has been increasing.

Liquid Position Improves

An improvement is also shown in the company's liquid position. The balance sheet as at June 30, 1934 shows cash of approximately $30,000 as compared with $12,361 in the previous year and investments of $450,908. In 1933 investments were carried at $395,533. Accounts payable are shown at $5,142 and reserve for contingencies at $6,997.

Calgary & Edmonton, the report of the general managers shows, now receive royalties on production from 17 wells as follows: Advance 5A, Lowery Petroleum No. 1, Mayland No. 1, No. 2, No. 3 and No. 6; Commonwealth No. 1, Mar Jon No. 1, Southern Lowery No. 1, No. 2 and No. 3; Sterling Pacific No. 1 and No. 2; Sterling Royalties No. 1; Merland No. 1, Miracle No. 2, Longview No. 1.

The acreage under lease or option increased by 2,417 acres during the year but it is anticipated that this will be considerably reduced in the near future as exploration work by Alberta Gas & Fuel Co. has been suspended and 26,290 acres under lease or option to them will likely revert to Calgary and Edmonton Corp.

August Production

Production from the company's producing wells in the month of August amounted to 23,667 barrels with royalty of $7,963 as compared with 21,672 barrels with royalty of $8,876 in August, 1933.

Rigging up is completed on Merland No. 2 well, Turner Valley, and spudding is expected to take place immediately.

Franco Oils No. 1 well, Cardston, is proceeding with drilling below 200 ft.

Calgary and Edmonton well No. 1 was shot with nitro-glycerine on Sept. 29. Cleaning out is now proceeding and results of shooting will not be known until Oct. 20.

Jomac Gold Syndicate Makes Public Offering

The Jomac Syndicate's group of nine claims in the new Sturgeon River area, situated adjoining and between the property of Sturgeon River Gold Mines, which is under option to Coniagas Mines, and the Sturgeon Reserve property, which is being developed by the Brennan-Kenty interests, has been acquired by Macjoe Sturgeon Gold Mines which is making a public offering of one million shares at 30 cents a share through H. R. Bain & Co., Toronto, in order to provide funds for the exploration and development of the property.

Two camps have been built on the property and considerable surface work completed. Free gold has been found in several places. Stripping of the showings is under way at the present time. Operations at the property are to be carried out under the direction of R. E. Hore, consulting geologist.

The company is capitalized at 3,500,000 shares, par value $1 each, of which 1,500,000 shares have been issued for properties. The latter are pooled until April 15, 1936.

Officers and directors of the company are: Joseph McDonough, president; Gilbert A. LaBine, vice-president; R. E. Hore, managing director; Robert E. Fennell and Fred Marshall, directors.

Hollinger Con. Continues Div'd Plus Bonus Policy

In keeping with its long-established policy, Hollinger Consolidated Gold Mines has announced a five-cent bonus in addition to the regular four-week dividend of five cents. This bonus and dividend is payable Nov. 5 to shareholders of record on October 19.

Monashee Mine Increases Commercial Ore in Sight

From Our Own Correspondent

VICTORIA.—Progress at the Monashee mine near Vernon is rapidly placing a substantial tonnage of commercial ore in sight, according to authentic reports.

The No. 3 level tunnel is now in a distance of 700 ft. with the average width of the vein still continuing at three ft. After passing the 650 ft. point values increased slightly, although sources close to the management state that no particular attention is being paid to this. The over-all average for the first 650 ft. of tunnel is officially stated to be $16.20 with 100,000 tons so far indicated by this work.

At the present time a crew of 25 men are being employed at the mine but it is understood that this is to be increased somewhat during the next few weeks.

Vidette Gold Mines controls the Monashee mine under an option agreement which gives them a 60 per cent interest.

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Mining Stock Quotations

Week Ending October. 15

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Oct. 8 (or last)	High for week	Low for week	Close Oct. 15
1	.06	.01	Aconda	2,500	.01	.01½	.01	.01
No	.33	.12	Aldermac	5,800	.14½	.15	.12½	.12½
1	.10	.01½	Alexandria	29,100	.02	.02	.01½	.01½
No	.18	.04½	Algoma	200	.04½	.05	.05	.05
1	.04	.01	Amity Copper	15,000	.01½	.01½	.01	.01
No	4.51	2.00	Anglo-Huronian	4,999	4.50	4.40	4.25	4.40
1	.08½	.02	Area	4,000	.02½	.02½	.02	.02½
No	.20	.02	Arno	2,000	.02	.02½	.02	.02½
1	1.25	.30	Ashley	11,500	.35	.40	.30	.40
1	.18	.04½	Astoria Rouyn	11,900	.05½	.05½	.04½	.05
1	.60	.04	Bagamac	22,850	.08½	.08½	.08	.08
1	.04½	.00½	Baldwin	10,000	.01½	.01½	.01½	.01½
1	.22	.08	Barry Hollinger	21,700	.09	.10	.08	.09½
1	2.05	.65	Base Metals	4,200	.75	.90	.75	.85
1	.91	.16	B.E.A.R.	144,900	.23½	.31½	.22	.29
No	2.45	2.00	Beattie Gold	5,200	2.00	2.10	2.00	2.10
1	.51	.20½	Big Missouri	15,031	.37	.38½	.35	.36
1	.75	.23	Bobjo	109,722	.40	.46	.38	.44
1	3.72	2.15	Bradian	1,440	2.50	2.55	2.25	2.25
No	17.00	9.90	Bralorne	3,900	14.00	14.00	13.35	13.75
1	1.50	.10	Brasil Gold	4,500	.10	.13	.10	.10
1	.16	.03	Brett Trethewey	6,000	.03	.03½	.03	.03
50c	1.41	.28½	Bridge River Ex.	28,075	.42	.40	.35	.36
1	.09	.01½	Brownlee	23,600	.02½	.02½	.02½	.02½
1	.02½	.00½	Buckingham	6,000	.00½	.00½	.00½	.00½
1	3.98	1.90	Buffalo Ankerite	4,150	3.50	3.75	3.43	3.70
No	.14	.03	Buffalo Can.	2,000	.03	.03½	.03½	.03½
5	37.50	23.50	Bulolo Gold	110	36.50	36.50	36.00	36.00
No	.11	.03	Bunker Hill (new)	1,000	.08	.06	.06	.06
5s	1.20	1.00	B'Wana McKubwa	......	1.20			
No	.14	.02½	Canam Metals	......	.03	.....	.....	.....
1	.20	.04	Can. Kirkland	63,700	.04½	.06	.04	.05½
No	.78	.38	Can. Malartic	17,825	.60	.63	.59½	.63
1	.02½	.00½	Capital Rouyn	12,000	.00½	.00½	.00½	.00½
1	2.85	1.00	Cariboo Gold	725	1.08	1.30	1.20	1.30
1	.09	.01	Cartier Malartic	9,100	.05	.05½	.05	.05
1	.81½	.49	Castle Trethewey	173,950	.67	.81	.64	.77½
1	.16	.07	Cen. Manitoba	15,800	.08½	.10	.08	.09½
1	1.25	.54	Cen. Patricia	73,735	1.00	1.15	.97	1.04
No	.16½	.05½	Chibougamau Pros.	48,400	.09½	.10	.09½	.09½
1	.15½	.04½	Church. M. & Mill.	7,300	.05½	.06	.05½	.05½
No	.14	.03	Clericy	6,250	.03	.03½	.03½	.03½
No	.14	.03	Clericy	6,250	.03	.03½	.03½	.03½
1	.03½	.00½	Clifton Cons.	4,000	.01	.00½	.00½	.00½
5	5.75	2.80	Coast Copper	......	3.50	.....	.....	.....
1	.06½	.02	Cobalt Contact	94,000	.02½	.04½	.02½	.04½
No	.94½	.20	Columario	25,650	.25	.32	.21½	.29
5	2.45	1.35	Coniagas	2,532	2.00	2.20	2.10	2.20
No	1.60	.97	Coniaurum	4,319	1.47	1.49	1.43	1.45
25	170.25	118.00	Cons. Smelters	962	131.00	139.87	129.00	138.00
25c	.42½	.31	Crown Cons.	69,320	.41½	.42½	.41	.42½
No	45.50	32.25	Dome Mines	847	41.00	42.00	39.75	41.00
1	.13	.08	Dom. Explorers (new)	3,960	.09½	.13	.10½	.13
1	.02½	.00½	Dominion Kirk.	7,000	.01½	.01½	.01	.01
1	.17½	.01	Duparquet	23,950	.05½	.07	.05½	.06
1	4.35	1.76	Eldorado	29,330	2.06	2.40	2.05	2.31
No	4.15	3.00	Falconbridge	1,285	3.59	3.75	3.55	3.60
1	.11½	.01½	Federal	1,000	.02½	.02½	.02½	.02½
No	.07	.02	Gilbec	23,500	.02½	.04	.02½	.02½
No	4.30	.70	God's Lake	128,655	1.97	2.55	1.83	2.45
1	.30	.08	Goldale	10,800	.18	.19	.17	.19
50c	.47	.30	Gold Belt	20,000	.40	.45	.37	.38
10	.57	.15	Goldfield	2,000	.15	.18	.15	.15
1	.43	.12	Goodfish	4,300	.12	.13½	.12	.13
1	.18½	.02½	Graham Bosquet	15,300	.05½	.05½	.04½	.05
1	1.09	.50	Granada Gold	22,550	.51	.52½	.50	.51
No	.53	.14	Grandora	5,200	.19	.21	.14	.14
1	1.22	.60	Greene Stabell	60,819	.72	.74	.60	.62
1	.18	.05	Groselle	......	.06	.....	.....	.....
1	.48	.06	Grull Wihksne	3,000	.06	.06	.06	.06
1	2.50	1.28	Gunnar Gold	65,915	1.59	1.68	1.45	1.55
1	.53½	.07	Halcrow Swayze	10,700	.09	.10½	.09½	.10½
1	.15	.03½	Harker	100,300	.07½	.08½	.07½	.07½
1	.02½	.00½	Hilltop	......	.00½	.....	.....	.....
5	21.65	11.40	Hollinger	17,588	20.85	21.50	20.75	21.40
1	1.40	.93	Howey Gold	25,120	1.16	1.20	1.14	1.16
No	15.00	9.00	Hudson Bay	515	13.10	13.10	12.25	12.75
1	14.25	10.45	Inter. Mining	125	11.80	11.75	11.50	11.75
1	6.25	4.00	Do., Pur. Warr.	1,200	5.85	5.00	5.00	5.00
No	29.00	21.15	Int. Nickel	20,030	23.75	24.50	23.50	23.62
1	.48	.28	J. M. Cons. Gold	38,130	.33½	.33	.30	.31
1	.03½	.00½	Keora Mines	13,000	.02	.02	.01½	.02
1	.39½	.18	Kirkland Cons.	54,055	.24½	.29	.23	.29
1	.73½	.40	Kirk. Hud. Bay	......	.40	.....	.....	.....
1	.05	.00½	Kirk. Hunton	3,500	.01½	.01½	.01	.01
1	.79½	.29	Kirkland Lake	63,280	.70	.72	.69	.70
1	.40½	.20	Kirk. Townsite	9,300	.21½	.22	.21	.22
20c	.02½	.01	Koot. Florence	9,500	.01	.01½	.01	.01
1	.23	.02	Lakeland	8,200	.02½	.02½	.02	.02
No	.18	.04	Lake Maron	13,700	.05	.04½	.04	.04½
1	58.50	42.00	Lake Shore	4,132	58.40	58.00	57.00	57.75
1	.48	.15	Lamaque Contact	7,000	.20	.20	.15	.15
1	.26	.05½	Lebel Oro	21,950	.07	.07	.05½	.05½
1	.22	.08	Lee Gold	10,700	.10	.10	.09	.10
No	7.75	4.05	Little Long Lac	9,027	6.25	6.45	5.95	6.25
1	3.05	1.85	Macassa	43,706	2.83	2.95	2.78	2.85
1	.08½	.01½	Malrobic	19,000	.02½	.02½	.02	.02½
No	.17	.05	Mandy	2,000	.10	.10	.09½	.10
No	.40	.21½	Manitoba & Eastern	62,300	.23	.28	.18	.26
1	1.00	.15	Maple Leaf	123,800	.16½	.23	.16	.19½
5	50.00	39.25	McIntyre	1,640	45.75	46.00	44.50	45.25
1	1.74	1.01	McKenzie Red L.	33,930	1.35	1.51	1.30	1.48
1	.75	.50	McKinley	75	.75	.70	.70	.70
No	.06½	.01½	McLeod River	49,500	.02½	.02	.02	.02
1	.75	.39	McMillan	42,400	.63	.62½	.51	.54
No	.55½	.25	McWatters	84,700	.42½	.49	.42	.48½
1	1.21	.39½	McVittie	10,090	.45	.46	.43½	.46
5	1.50	.50	Mentor Exp. & Dev.	......	.50	.....	.....	.....
No	2.47	1.40	Mining Corp.	1,227	1.50	1.60	1.40	1.59
No	.21	.18	Minto Mines	1,000	.20	.20	.18	.20
1	.08½	.02½	Moffatt Hall	9,350	.03½	.03½	.03½	.03½
1	.20	.08½	Moneta	1,100	.12	.12	.10	.10½
1	.04	.01½	Murphy	6,000	.01½	.01½	.01½	.01½
No	.09½	.02	Newbec	5,300	.02	.02½	.02	.02
1	.06½	.03	Night-Hawk Penn.	9,500	.04½	.04½	.03½	.04
5	2.85	2.00	Nipissing	6,587	2.59	2.70	2.52	2.60
No	45.05	33.25	Noranda	9,212	38.25	38.75	36.50	38.00
No	.54	.22	Nor. Canada	6,166	.29	.29½	.28	.28
1	.27	.07	Osisko	5,000	.08	.08	.07	.08
1	.72	.25	Parkhill	17,425	.33	.36	.31½	.33½
1	.06	.01½	Pawnee Kirk.	8,000	.01½	.01½	.01½	.01½
1	.31½	.17	Paymaster	59,900	.23½	.23	.17	.21½
1	1.40	.40	Pend Oreille	475	.40	.56	.42	.56
1	.06½	.01½	Peterson Cobalt	80,100	.02½	.04	.02½	.03½
1	1.90	1.26	Pickle Crow	49,490	1.65	1.90	1.58	1.87
1	14.15	10.30	Pioneer Gold B.C.	1,295	11.90	12.00	11.70	12.00
1	.08½	.01½	Porcupine Crown	13,000	.03½	.03½	.03½	.03½
1	.03	.00½	Potter Doal	18,000	.01½	.01½	.01	.01
1	1.75	1.02	Premier Gold	18,320	1.25	1.35	1.25	1.35
1	.06½	.01½	Preston E. Dome	6,000	.02½	.02½	.02½	.02½
No	.89	.30	Prospectors Air's	29,300	.45	.89	.55	.85½
1	.70	.12	Quebec Gold	26,200	.16	.16	.12	.13
No	.15	.04	Quemont	......	.04	.....	.....	.....
1	1.73	.27	Read Authier	22,984	1.18	1.25	1.00	1.15
1	1.29	.75	Reno Gold	19,200	.89½	.92	.85	.92
1	.02½	.00½	Ribago	8,000	.00½	.00½	.00½	.00½
1	.05½	.01½	Ritchie	4,000	.02½	.02	.02	.02
1	.11½	.01½	Robb Montbray	20,100	.03½	.03½	.03	.03
1	6.30	1.75	San Antonio	7,448	5.15	5.35	5.00	5.25
1	1.43	.43	Sherritt Gordon	26,497	.45	.57	.47	.57
1	2.88	1.43	Siscoe	99,595	2.53	2.80	2.48	2.72
1	4.00	2.95	South Amer. Gold	1,000	3.20	3.05	3.00	3.00
1	.07½	.02½	South Keora	13,000	.05½	.05½	.05	.05½
No	.26½	.03½	South Tiblemont	106,100	.06½	.06½	.03½	.03½
No	.46	.08½	Stadacona	56,870	.27	.32	.26½	.30
1	.65	.31	St. Anthony	24,550	.44	.46½	.43	.43
No	2.00	1.00	Sudbury Basin	3,185	1.30	1.40	1.27	1.40
1	.16½	.05	Sudbury Contact	27,100	.12½	.13½	.11	.12
1	.11½	.00½	Sudbury Mines	54,550	.07½	.07½	.05½	.06½
1	.63	.44	Sullivan Cons.	34,762	.60	.61	.55	.57
1	3.20	1.29	Sylvanite	24,185	2.74	2.83	2.68	2.78
1	5.05	4.00	Teck Hughes	28,827	4.35	4.39	4.13	4.15
1	.59	.20	Thom. Cadillac	55,460	.43	.42½	.37	.38½
1	.02	.01	Timiskaming	5,000	.01½	.01½	.01	.01
1	.76	.26	Towagmac	2,900	.32	.35	.30	.32
1	.85	.25	Treadwell	1,100	.31	.30	.30	.30
No	.02½	.01	Vacuum Gas	8,500	.01	.02	.01	.01
No	1.12	.77	Ventures	14,405	.93	.95	.90	.95
1	.03½	.01½	Vickers	8,500	.01½	.01½	.01½	.01½
No	1.53	.75	Waite Amulet	3,272	.80	.80	.75	.80
50c	.50	.06	Wayside Cons.	20,550	.08	.08½	.07½	.07½
No	.43	.15	White Eagle	242,700	.18	.22	.19	.20½
1	.07½	.01½	White Lake	......	.02	.....	.....	.....
1	.18	.05	Wiltsey Coughlan	3,400	.08	.08½	.07	.07
1	.20	.05	Wood Kirkland	5,500	.09	.11	.09½	.10½
No	10.25	6.75	Wright-Hargreaves	12,682	8.95	9.45	8.95	9.15
			OIL STOCKS					
No	.33	.16½	Acme Gas & Oil	38,200	.16½	.22	.16½	.20
1	.20	.09	Admiral	......	.20	.....	.....	.....
1	1.60	.89	Ajax	2,100	.95	.93	.88	.89
1	.25	.08	Alta. Pacific	3,100	.08½	.09½	.08½	.09½
No	.35	.10	Associated	1,330	.12	.13	.10	.10
No	.13	.03	Baltac	6,150	.03½	.05	.03	.05
No	1.60	.60	Calgary & Ed.	220	.60	.70	.62	.70
1	.15	.05	Calmont	7,100	.06½	.06½	.06	.06½
No	.12	.04	Common Pete.	2,500	.04	.05	.04½	.05
No	.65	.22	Dalhousie	2,470	.22	.30	.23	.30
No	.30	.09	East Crest	2,050	.11	.11	.10	.10
No	.58	.07	Erie Gas	500	.11	.09½	.09½	.09½
No	.75	.25	Foothills	......	.25	.....	.....	.....
No	.25	.20	High Sarcee	......	.23½	.....	.....	.....
No	1.90	.67	Home	4,115	.70	.80	.67	.70
1	.25	.11	Homestead O. & G.	17,500	.19	.18	.11	.11
No	.44	.11	Lowery	550	.11	.11	.11	.11
No	.42	.19	Merland	3,400	.21	.22	.20	.22
1	.48	.10	Midwal Oil	......	.10	.....	.....	.....
1	.33	.17	Model	1,075	.19½	.20	.18	.20
5	.17½	.05	Nordon	800	.05½	.05½	.05½	.05½
No	.09	.03	Oil Selections	11,500	.03	.03½	.03	.03½
No	.34	.08	Olga Gas & Oil	187,000	.16	.16	.13	.13
1	1.10	.50	Petrol Oil & Gas	200	.55	.50	.50	.50
No	19.55	12.75	Royalite	860	12.75	13.00	13.00	13.00
1	.13	.04½	Sarnia Oil	5,500	.04½	.05	.04½	.04½
No	.17	.07	South West Pete.	......	.15	.....	.....	.....
No	1.00	.63	Wainwright-West	7,900	.95	1.00	.94	.94

VANCOUVER STOCK EXCHANGE
(Transaction for Week to October 13.)

Par Val.	Range 1934 High	Range 1934 Low	Company	Sales	Close Oct. 6 (or last)	High for week	Low for week	Close Oct. 13
1	.09½	.01½	Alexandria	1,000	.01½	.02	.02	.02
25c	.03½	.01	Bayview	......	.02½	.....	.....	.....
20c	.09½	.03	Beaver Silver	97,650	.07	.09½	.07	.09½
25c	.03½	.01	Bluebird	......	.01	.....	.....	.....
1	3.70	2.05	Bradian Gold	2,418	2.56	2.55	2.25	2.25
No	16.95	9.85	Bralorne	420	14.15	14.00	13.20	14.00
1	.48	.07½	Bridge River Cons.	7,000	.08½	.09	.08	.09
50c	1.40	.28	Bridge River Exp.	36,600	.40	.39	.35	.36
50c	.27	.15	B. R. Mountain Gold	......	.15	.....	.....	.....
1	1.76	.51½	B. C. Nickel	32,425	.71	.72	.65	.72
1	1.25	.90	B. C. Silver	600	.95	1.00	1.00	1.00
50c	.28	.08	Butte I.X.L.	......	.09	.....	.....	.....
50c	.24	.10	Canadian Rand	1,500	.12	.11	.10	.11
1	2.90	1.00	Cariboo Gold	19,800	1.25	1.35	1.25	1.25
No	12.60	8.75	Coast Breweries	441	9.90	10.00	9.85	10.00
1	.51	.18	Congress Gold	2,600	.24	.26	.25	.26
25c	.02	.00½	Cork Province	......	.00½	.....	.....	.....
1	.08	.05	Cotton Belt	......	.05	.....	.....	.....
1	.06	.01½	Dalhousie Mines	2,000	.02	.01½	.01½	.01½
No	2.07	.25	Dentonia	11,400	.53	.53	.51	.52
No	.07½	.03	Dictator	7,200	.03½	.04½	.03	.03½
1	.45	.14	Dunwell	1,800	.19	.21	.19	.19
No	.44½	.12	Fairview Amal.	44,000	.24	.27	.22	.24
1	.12	.07½	Federal Gold	......	.10	.....	.....	.....
1	.42	.20	George Copper	200	.25	.25	.20	.20
50c	.02½	.01½	George Enterprise	1,000	.01½	.01½	.01½	.01½
1	.06½	.01	Georgia River	11,500	.01	.01	.01	.01
50c	.08	.01	Glacier Creek	6,600	.04	.06	.04½	.06
1	.63	.29	Golconda	4,700	.32	.33	.29	.31
5c	.20	.13	Golconda Ex.	......	.13	.....	.....	.....
50c	.63½	.27	Gold Belt	49,000	.45	.43	.37	.38
50c	.51	.15	Gold Mountain	1,600	.15	.16	.15	.15½
50c	.06	.01½	Grandview	2,200	.01½	.02	.01½	.02
No	.38	.16	Grange Mines	9,325	.26	.27	.26	.26
1	.50	.04	Grull Wihksne	10,450	.05½	.06	.05½	.06
No	.16	.04	Haida Gold	5,500	.09	.09½	.09½	.09½
25c	5.80	5.25	Hecla	......	5.25	.....	.....	.....
50c	.34	.18	Hedley Amal.	6,400	.31	.31	.31	.31
No	.29	.08	Hedley Sterling	......	.08	.....	.....	.....
1	.09½	.03	Hercules Cons.	143,000	.03½	.05	.03½	.04½
No	.28	.07	Home Gold	7,300	.13	.13	.13	.13
1	.04	.01½	Independence	......	.01½	.....	.....	.....
1	.04	.01½	Indian Mines	......	.02½	.....	.....	.....
1	.15½	.10	Inter'l Coal	......	.13½	.....	.....	.....
1	.42	.29	Jack Waite	......	.31	.....	.....	.....
50c	.65	.19	Kootenay Belle	2,900	.48	.49	.47	.48
25c	.02	.00½	Kootenay King	......	.00½	.....	.....	.....
1	.01½	.00½	Lakeview	10,000	.01½	.01½	.01½	.01½
10c	.06	.02	Lucky Jim	......	.02	.....	.....	.....
No	.40	.11	Mak Siccar	10,300	.24½	.25	.20	.25
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
1	.14	.09½	McGillivray Creek	4,000	.09½	.13	.13	.13
10c	.33	.08½	Meridian Min.	14,000	.12½	.13	.12	.12½
5c	.04	.03½	Metaline Metals	......	.03½	.....	.....	.....
No	.85	.13	Minto Mines	25,900	.19	.22	.19	.20
1	.27	.26	Mont'y Ackerman	......	.27	.....	.....	.....
50c	.46½	.13	Morning Star	21,100	.15	.18	.14	.15½
1	.05½	.00½	Morton Woolsey	13,500	.01½	.01½	.01½	.01½
50c	.09	.03	National Silver	49,500	.03½	.04½	.03½	.04
50c	1.36	.20	Nicola	9,775	.32	.32	.28	.30
50c	.17	.06½	Noble Five	53,500	.06½	.09½	.07	.08½
No	.26½	.10	Norgold	4,100	.23	.23	.21½	.23
1	.54	.12½	Pavilion	2,000	.48	.48	.47	.48
No	.10½	.07½	Pilot Gold	21,600	.07½	.09½	.07½	.07½
1	14.25	10.50	Pioneer Gold	540	11.10	12.15	11.50	12.00
50c	.18	.06½	Porter Idaho	22,790	.07½	.10½	.08	.09½
No	.02½	.00½	Premier Border	19,000	.00½	.01	.00½	.01
1	.06	.03	Quatsino Copper	......	.03	.....	.....	.....
50c	.19	.06	Red Hawk	......	.06	.....	.....	.....
No	.27	.09	Reeves McDonald	500	.11	.12	.12	.12
1	1.25	.75	Reno Gold	11,900	.91	.93	.87	.93
1	.15	.04	Reward Mining	1,000	.05	.04½	.04½	.04½
No	.27	.09	Richfield Cariboo	......	.09	.....	.....	.....
1	.03½	.01	Rufus Argenta	......	.01	.....	.....	.....
1	.05	.02	Ruth Hope	......	.02½	.....	.....	.....
1	.55	.25	Sally Mines	1,800	.30	.35	.30	.35
50c	.35	.10	Salmon Gold	7,800	.15	.15	.13	.15
1	.09	.04	Silverado	3,105	.04	.04	.04	.04
25c	.04½	.01½	Silvercrest	45,000	.01½	.02½	.01½	.02
20c	.17	.04	Silversmith	9,000	.09	.10	.07	.09
50c	.03½	.01	Snowflake	1,000	.01½	.01	.01	.01
25c	.04	.02	Sonora	......	.04	.....	.....	.....
1	.46	.07	Standard Gold	......	.07	.....	.....	.....
10	9.00	4.75	Sunshine Mining	......	9.00	.....	.....	.....
1	.28	.20	Sunloch Mines	......	.20	.....	.....	.....
No	1.20	.27	Taylor Bridge	11,250	.27	.32	.27	.30½
1	.65	.20	Taylor Windfall	3,500	.22	.20	.20	.20
5	.25	.20	Toric Mines	......	.20	.....	.....	.....
1	.10	.10	Utica Mines	1,000	......	.10	.10	.10
50c	.35	.04½	United Empire	7,200	.25	.27	.26	.27
No	3.50	1.40	Vidette Gold	5,300	1.58	1.58	1.50	1.50
No	.21½	.05	Viking Gold	8,700	.07	.07½	.06½	.06½
No	.27½	.08	Waterloo Gold	11,250	.08	.09	.08	.08
25c	.03	.01	Waverly Tangier	28,500	.01	.01½	.01½	.01½
50c	.47	.06½	Wayside Cons.	9,900	.08½	.08½	.08	.08½
20c	.03½	.01½	Wellington Mines	......	.01½	.....	.....	.....
No	.44	.18	White Eagle	1,100	.18	.21	.19	.19
1	.10½	.04	Whitewater	39,350	.04½	.05½	.04½	.05½
			OIL STOCKS					
1	.15½	.06	Amalgamated	4,800	.07	.07½	.06½	.06½
1	.08	.03	Anaconda	......	.03	.....	.....	.....
1	.10	.07	Brit. Dominion	......	.09	.....	.....	.....
1	.11½	.03	Crow's Nest	8,400	.06½	.06½	.06	.06
No	.09½	.02	Devenish	......	.02	.....	.....	.....
No	.01½	.00½	Fabyan Pete.	88,000	.00½	.00½	.00½	.00½
No	.15½	.06	Freehold	......	.07	.....	.....	.....
No	.13	.04	Hargal	......	.04½	.....	.....	.....
No	.35	.14	High Sarcee	5,800	.16	.16	.14½	.16
No	.05	.00½	Madison	......	.00½	.....	.....	.....
No	.35	.05	Marjon Oil	6,500	.09½	.10½	.09½	.10½
No	.05½	.02½	McD. Segur Ex.	......	.02½	.....	.....	.....
1	.47	.25	McLeod	2,350	.33	.35	.32	.35
No	.22	.12	Mercury	6,500	.12½	.13	.12½	.13
No	.22	.10	Mill City Pete	3,900	......	.12	.11	.12
No	.18	.05	Okalta	1,000	.05	.05	.05	.05
100	30.00	18.00	Do., pref.	......	30.00	.....	.....	.....
No	.17	.04½	Pacalta Oil	5,000	.04	.04½	.04½	.04½
1	.75	.14	Ranchmen's	......	.60	.....	.....	.....
No	.04	.02½	Richfield	......	.02½	.....	.....	.....
1	.42	.20	Spooner	50	.26	.20	.20	.20
No	.11½	.03½	United	500	.04½	.04	.04	.04
No	.50	.10½	Vanalta	3,500	.10	.11½	.10½	.11½
1	.20	.10	Vulcan	......	.11	.....	.....	.....
1	.35	.07½	Wellington Oil	......	.08	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas	2c.	.....	Macassa†	5c.	.....
Ajax Oil	8c.	8.98	McIntyre	$2	4.42
Bralorne	60c.	4.36	Mercury Oils‡	4c.	.....
Buff. Ankerite	10c.	2.97	Merland Oils‡	5c.	.....
Bulolo Gold‡	60c.	.....	Model Oils	3c.	.....
Coast Brew.	92c.	9.20	Nipissing	12½c.	.....
Coniagas‡	12½c.	.....	Noranda‡	$1	.....
Cons. Smelters	1.00	.....	Petrol Oil‡	3c.	.....
Dome Mines	$2	4.87	Premier	12c.	8.8
Falconbridge	10c.	.....	Pioneer, B.C.	80c.	6.6
Hollinger	65c.+65c.	3.03	Royalite	50c.	3.84
Howe Sound	$3	.....	San Antonio†	5c.	.....
Howey Gold	6c.	.....	Siscoe	12+5c.	4.41
Int. Coal & Coke†	1c.	.....	So. Amer. Gold	10c.	.....
Int. Nickel c.	15c.	.....	Sylvanite	20+5c.	.....
Kirk. Lake†	3c.	.....	Teck-Hughes	40c.	9.63
Lake Shore	$2+$1	3.46	Toburn	8c.	.....
			Wright-Har.	40+20c.	4.37

‡Interim. †Initial.

Unlisted Mining Stocks

October 16, 1934

	Bid	Asked		Bid	Asked
Adanac	..	.22	Lamaque Cont. Units	..	85.00
Algoma Summit	.50		Longlac Inlet	.37	.42
Afton	.16	.19	Long Lac Lagoon	.20	.25
Arntfield Gold	..	.75	Lamaque Gold	1.25	1.50
Arntfield Synd.	..	.77	Langmuir L. Lac.	.33	.36
Bailor Gold	.09½	.10½	Long Lac Synd.	1.80	2.15
Bankfield Gold	.95	.98	McFarlane L. Lac	.17	.19
Bathurst	.06	.06½	MacL. Cockshutt	.43	.45
B. C. Nickel	.68	.73	Magnet Lake	.25	.28
Black River	.22	.25	Mandalay	..	.25
Big Long Lac	..	.18	Man. Basin (new)	..	.15
Bur-Ley Long Lac	.16	.19	Marbuan	.70	.74
Burroughes L. L.	..	32.00	Matachewan Can.	.16	.18
Bidgood Cons.	.03½	.03½	Metals Devel.	.04½	.06
Brennan Kenty	..	.55	Middle Bay	..	.20
Can. Pandora	.17	.19	Minefinders	1.50	3.00
Canusa Mining	.08	.10	Montague Gold	3.00	4.00
Casey Contact	.38	.44	Murwood	.33	.36
Casey Summit	..	.60	Mosher Gold	.14	.17
Cent. Porc.	..	.40	Neville Can.	..	.55
Cochenour Wil.	105.00	120.00	North Shores	.16	.18
Columario (old)	.18	.20	North Tiblemont	.10	.12
Continental Kirk.	.05	.07	Payore Mines	.28	.31
Cripple Creeks	..	.30	Peninsular Pete.	.00½	.01
Cryderman Gold	.52	.55	Pontiac Rouyn	.27	.35
Crown Reserve	.02½	.03½	Queen Lebel	.17	.20
Cuniptau	..	.41	Raymond Tible.	.18	.20
Dennison Cop.	.02	.03½	Rice Lake	.17	.19
Dorval Siscoe	7.00	8.00	Roche Long Lac	.18½	.20½
Dunlop Cons.	.03	.03½	Rubec	.01½	.02½
El Bonanza	.18	.20	Sakoose	.23	.26
Forty-Four Gold	14.00	15.00	Scullers Gold	9.00	11.50
Glenora Gold	.11	.15	Shawkey	.42	.44
Gold Eagle	.40	.44	Sigma	..	2.50
Golden Long Lac Unit	..	13.00	Smelter Gold	.30	.31
Gr. Bear Lake M.	.19	.21	So. Shore Gold	22.00	30.00
Gabrielle	.78	.82	Springer Sturgeon	.24	.26
Hardrock Un.	..	75.00	Sturgeon River	5.00	6.50
Hardrock	..	.81	Talisman	.40	.45
Horseshoe	.03½	.04½	Tashota Goldfield	.55	.60
Herbin Lake Un.	19.00	20.00	Tiblemont Island	.35	.39
Hudson Pat.	.27	.30	Toburn	1.35	1.40
Island Lake	.06	.09	Tom. Johnson Nip.	.10	.12
Jomac Units	30.00	35.00	Tyche L. L.	..	.16
Karl Springer	3.75	4.25	Vanguard L. Lac.	.27	.30
Kenogamisis	..	20.00	Vanquelin Sifton.	.27	.30
Keyroc Gold	..	.15	Vermilion L. Sh.	..	30.00
Kingfisher	.28	.32	Wendigo	..	.70
Kirk. Gold Belt	.18	.21	Witch Bay Gold	..	5.75
Kow Kash (Tashota)	.07	.10	Wells L. Lac	.21	.23
Lake Caswell	.50	.60	West-Side L. Lac	..	.33
La Roche	.16	.18	Wingold	.33	.37
Lafayette L. Lac	.10	.15	Young David	.26	.33
			Ymir Y. Girl	.32	.35

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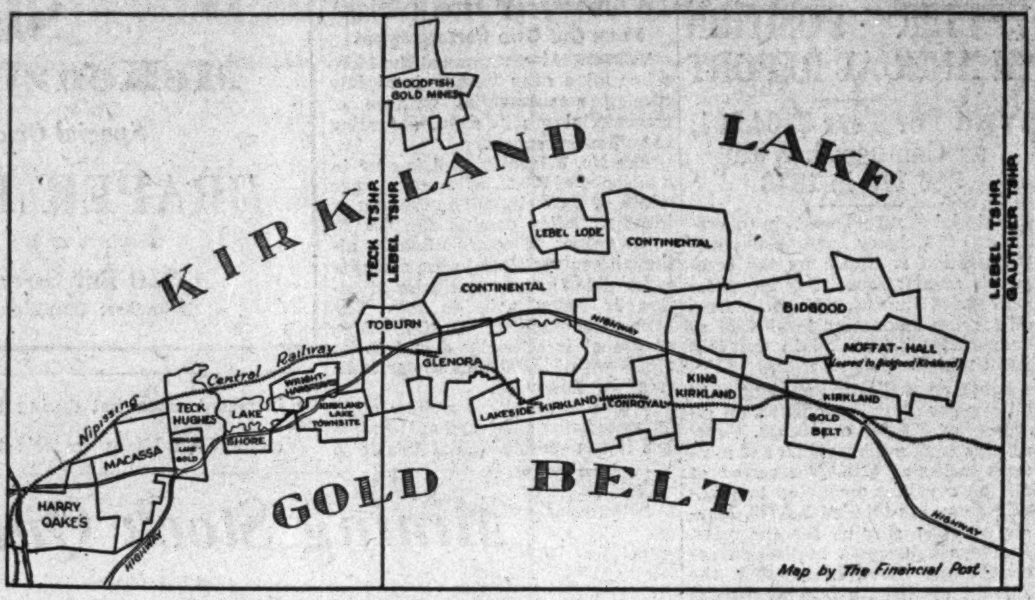
13

Interest At Kirkland Swings Eastward



Map by The Financial Post.

With little fuss, serious development work is going on on various old and new properties east of Kirkland Lake townsite. Profiting on costly experiences of the past, this camp is noteworthy for the conservative attitude of the operating parties. A detailed description of what is going on at this particular centre of activity is given elsewhere on these pages. Above is shown some of the properties which were active at the time The Financial Post visited the area.

ROSSLAND CAMP STAGES COMEBACK AS GOLD PRODUCER

Value of This Year's Production Estimated at $750,000

From Our Own Correspondent

VANCOUVER. — The Rossland camp has always been regarded as one of the richest in the history of mining in British Columbia. It is the tradition among mining men that along a strip of 80 miles eighty million dollars worth of gold were produced in the Rossland camp. It was the first region to draw the world's attention to British Columbia as a source of lode gold.

But the glory of Rossland was believed to have departed long ago. Consolidated Mining & Smelting Company, which had taken a leading part in swelling the production of the Rossland camp, discontinued nearly all its workings there several years ago when it was found that gold values declined below the 800-foot level to such an extent that operations were no longer profitable. With gold running between .6 and .7 ounces at the old price of $20 an ounce Smelters officials decided it wasn't worth while to continue, and so 400 men shifted their employment elsewhere and the abandoned workings filled up with water.

Smelters Interested

When the price of gold rose executives of the Consolidated Mining & Smelting Co. began to regard that famous 80 mile strip of departed glory with revived interest. The old camp had been a great money maker when gold was comparatively cheap; wouldn't it be worth while to attempt a comeback? Hundreds of experienced and skilful miners were unemployed in and around Rossland, drawing government relief. Perhaps the old workings offered an opportunity to find jobs for those men.

Leased to Jobless

Company officials went to work on a programme and put it into operation. They offered out-of-work miners or anyone else who knew anything about the business a chance to look over the dumps or shafts or surface areas and make their own choice. If the miner could show ore of any value he was given a verbal lease, authorizing him to work the ground exclusively. If his first shipment of ore was satisfactory he was given a signed lease, good for a year. The miner was not required to pay anything for the privilege of working the company's ground. However, he was asked to pay haulage of about $1.75 a ton and $5 for treatment at the company smelter. In addition, a royalty was charged as an equivalent to rent, amounting to 10 per cent on all ore of $15 a ton, 15 per cent on ore having a value of between $15 and $25, and $20 on ore in excess of $25.

A. B. Ritchie, assistant manager of mines for Consolidated Mining and Smelting Co. was put in charge of the leasing and authorized to decide on the sections to be leased and make the allotments, besides settle any disputes that might arise among the lease miners.

Success From First

The company did not have to wait long to ascertain whether the programme would be a success. The first truck load was taken from the leased property in May, 1933, and from August to December last year the production from the ground totalled nearly 11,000 tons of ore, valued at around $200,000. For the first eight months of the year it is estimated that nearly $500,000 represents the value of the output, including the gold premium. That is at an average of about .61 of an ounce to the ton with gold at $34 an ounce. In August alone, 4,180 tons of ore were shipped and that represented the peak month to date. September is expected to top that figure by about 400 tons. Heavy snow will reduce the volume during the winter.

More than 400 miners are now working in the Rossland camp again and from the Smelters workings and other properties in that neighborhood it is expected that the production this year will be about $750,000. In other words, Rossland has definitely come back among the important producing fields of Canada, and in British Columbia it stands second only to Bridge River—and almost entirely due to Smelters vision and willingness to co-operate with "the little fellow."

Increased Output Oil and Lumber Seen in Alberta

From Our Own Correspondent

EDMONTON. — Industrial activity in Alberta has resulted in material gains, it is disclosed in a report for the eight-months period ended Aug. 31, just issued by the provincial department of lands and mines.

Output of petroleum was 852,228 barrels, compared with 632,454 barrels in the corresponding period of last year.

In the Edmonton area, fresh activity in oil and gas drilling is anticipated next spring. This is foreshadowed by heavy purchasing of freehold, particularly in the Kinsella region 90 miles east of the city where some 15,000 acres have been acquired by interests whose name has not been disclosed. The Wainwright district also is regarded as certain to show more activity in oil drilling and refinery operations next season.

The lands and mines department report also shows that lumber manufacturing in this province is on the increase. For the eight months period, the manufactured lumber increased to 55,208,052 board feet, as against 52,736,467 feet in the similar period of last year.

O'SULLIVAN MINE OUTPUT $1,000 A DAY

Hydro Power Now Available at Mill — Drilling Encouraging

From Our Own Correspondent

MONTREAL.—Production of gold bullion by O'Sullivan Consolidated Mines from August 25 to September 30, the period in which hydro-electric power has been available, amounted to $31,000, according to a report submitted by the company to the Montreal Curb Market. At present the mill is running at capacity with a production of about $1,000 per day with the recovery of 98 to 99 per cent.

The report adds: "Important indications have been obtained by the diamond drill on the 150, 250 and 350-foot levels. On the 250, assays run between $10 and $30 per ton on a section of 90 feet of core. Very interesting intersections have also been located on the 150 and 350-foot levels and the development work on the 150-foot levels has extended the present ore body over a length of 100 feet, showing a width of 20 to 30 ft. with a gold content of .70 oz. or about $24 per ton at the present price of gold.

"With the new hoist and compressor, the programme of development work is extensive and the 50 ton mill, which is now running at capacity, is paying for all operating and development costs as well as adding to the reserve every month.

Nova Scotia Gold Mines—A. L. Schneider, manager of this company, operating in the Carbibou area of Nova Scotia, states that the shaft is now at a depth of 55 ft. and that two veins have been encountered, both dipping southeast with the plunge of the Dome. Mr. Schneider also advises that the mill is still operating with ore from the auxiliary shaft.

GOLD EQUITIES SHOW SURPLUS INITIAL PERIOD

Mining Stock Holding Company Reports Progress

From Our Own Correspondent

MONTREAL.—United Gold Equities of Canada's report for the period May 19, 1933, to June 30, 1934, shows an income from interest and dividends and net profit on sale of investment securities, of $33,878. After taking care of general expenses, there was a net profit of $29,696, from which was deducted organization expenses of $1,348 and dividends of $3,006, leaving an earned surplus of $25,341.

At the end of last June, United Gold Equities balance sheet showed assets totalling $282,541. Current liabilities amount to only $17,595.

The standard shares issued by the company up to June 30, 1934, totalled 101,054, fully paid, and 11,795 shares as being subscribed for and allotted, but not yet issued. In addition, 500,000 shares have been issued to the Eastern Trust Co. in trust for the holders of option warrants, making a total of 612,849 shares. Common stock issued by the company totalled 1,000 shares.

Capital surplus arising from the sale of capital stock at a premium is shown on the books at $76,989. Paid in surplus, being proportion of premium received on sale of capital stock, amounted to $48,766, while the earned surplus totalled $25,341. It is noteworthy that profits on sales of securities are included in earned surplus. The British trust practice is to credit such gains to investment reserve.

Among the company's assets, investment securities are shown at $250,979, as against a market value of $253,832. The balance of the assets is made up of sundry items.

Incorporated in the report is a list of the securities held by the company as at June 30, 1934, and August 31, 1934. The stocks listed number 21, of which probably International Nickel is the largest holder with 1,300 shares.

Below is shown the company's investment portfolio as at June 30 and as at August 31.

Investment Securities

	Shares held June 30	Shares held Aug. 31
Base Metals Mining Corp.	1,500	1,500
Bralorne Mines	700	1,700
Bulolo Gold	575	1,000
Can. Malartic Gold Mines	8,000	12,000
Cons. Mining & Smelting	200	200
Dome Mines	700	800
Dominion Coal (bonds)	$11,000	$20,000
Falconbridge Nickel Mines	1,500	3,000
Hollinger Consolidated	1,200	1,500
International Nickel	800	1,300
Lake Shore Mines	550	800
Little Long Lac Gold Mines	1,100	1,700
Macassa Gold Mines	800	1,500
McIntyre Porcupine Mines	300	450
Noranda Mines	400	750
Pickle Crow Gold Mines	...	3,000
San Antonio Gold Mines	500	1,800
Sub Nigel Ltd.	100	100
Sylvanite Gold Mines	2,500	3,500
Teck-Hughes Gold Mines	1,000	1,500
Wright-Hargreaves Mines	1,000	2,200

Canadian Silver Companies

(Continued from page 15)

PETERSON-COBALT

Company is Negotiating for Finances to Develop Property

Peterson Cobalt Mines is a former silver producer in the Cobalt area whose operations were suspended due to depletion of ore reserves. The history of the company dates back to early days of silver mining at Cobalt. Formed in 1906 the company was reorganized in 1926 and since that time the property has been worked only intermittently. The company's property consists of 224 acres, 100 acres of which have not been explored.

Shareholders of the company at their annual meeting held March 12, 1934, passed a resolution requesting the directors to take steps for the immediate development of the company's property and to enter into the best financial arrangements that can be made with this end in view. To date no announcement has been made of an arrangement being consummated.

The authorized capitalization is $100,000 in $1 par value preferred shares of which $25,019 is outstanding and $2,900,000 in $1 par value common shares of which $2,174,432 is outstanding. As at April 30, 1933, there was a deficit of $115,359 in working capital account.

SMELTERS TO DEVELOP MARITIMES PROPERTY

Operating Arrangement is Made With Nova Scotia Gold Mines

Official announcement was made last week that the completion of development at the Caribou property of the Nova Scotia Gold Mines will be carried out by the Consolidated Mining and Smelting Co., an arrangement having been made between the two companies whereby operations will be carried out by the latter company and under its engineering supervision. The agreement is an operating one and no capital stock of Nova Scotia Gold Mines is involved in the transaction.

N. S. Gold Mines was formed in May of this year to acquire the properties of the Nova Scotia Mining Syndicate and since that time has been actively carrying out a programme of work at the Caribou property. Complete mining equipment has been installed and an old stamp mill on the property reconditioned and brought into production.

In making the announcement of the arrangement with Consolidated Smelters, Henry Moore, president of Nova Scotia Gold Mines, stated that with the future of the Caribou property provided for, it is now the intention of the company to proceed with development of its property at Tangier, N.S. This property comprises 300 mining areas and government records show that under previous operations many years ago 57,000 tons of ore produced over 29,000 ounces of gold. Considerable development work has already been accomplished and the property is equipped with its own hydro-electric plant and complete mining equipment. A three-compartment shaft is down to a depth of 630 ft. and lateral workings extend for over 1,000 ft.

J. M. Consolidated Mines Mill Placed in Service

From Our Own Correspondent

MONTREAL.—J. M. Consolidated Mines report that their mill, which was recently closed down to permit installation of machinery increasing the capacity, has been reopened. The mill is now capable of handling about 30 tons daily.

• In a report to the Montreal Curb Market, the management states that a new ore body has been opened up below the 125-foot level, having a width of over five feet and averaging better than one ounce of gold per ton.

TREADWELL-YUKON

Company is at Present Inactive — Has Never Shown a Profit

Treadwell Yukon Co., while at present inactive, was at one time an important silver producer operating in Yukon Territory. Depletion of ore reserves forced the company to close down the Wernecke mine, a silver-lead property, and mill near Mayo, Yukon Territory, in November, 1932, and since that time the silver production of the territory has been steadily declining. In 1933 operations were carried on at the Elsa mine on Galena Hill and considerable high grade ore was mined and shipped to the smelter before the property was closed down late in the year.

The company is a subsidiary of Bunker Hill and Sullivan Mining and Concentrating Co. and public interest in its capitalization is limited to 155,860 shares out of 1,500,000 shares outstanding. The balance of the issued stock is held by the Bunker Hill and associated interests.

Treadwell Yukon has not shown a profit from its operations largely due to its wide-spread interest in base metal properties. Finances have been provided by the parent company and associated concerns which have advanced approximately $9,000,000. The balance sheet as at Dec. 31, 1933, showed a deficit of $630,060 in working capital account.

ELDORADO MINES

Silver Producing Possibilities of This Property Still Uncertain

While the possiblities of Eldorado Gold Mines as a producer of silver are still somewhat uncertain the shares of this company have been attracting considerable attention due to the rise in the price of the white metal. Some high grade ore is known to exist on the company's property but development to date has disclosed that it occurs in irregular lenses which are much more difficult to mine than the wide rich veins which occurred in Cobalt. To get an idea as to its worth as a silver property a great deal more work will have to be done, F. D. Fraser, consulting engineer, informed shareholders at the annual meeting in May. Diamond drilling was commenced this summer with this end in view.

The Eldorado property is in the most advanced stage of development of any in the Great Bear Lake district. Test shipments of ore were made in 1931 and 1932 and in the fall of 1933 a 25-ton mill was placed in production. At the same time a radium refinery was opened at Port Hope, Ontario. Resuts from initial production were such that in 1933 it was decided to step up the capacity to 75 tons daily and latest reports from the property state that the mill addition has been completed.

Production in 1933 amounted to 3,021 milligrams of radium in finished form of 98 per cent average concentration, won from 58 tons of pitchblende treated. In addition there were produced 34,940 pounds of uranium salts and approximately 22,750 ounces of silver. The gross revenue from production was reported at $93,104, the main part of which came from radium sales, silver accounting for only $8,509. Operations for the year showed a net loss of $62,188.

—A substantial gain was shown in current assets of the company from $211,298 in 1932 to $656,287 at the end of 1933. Among the items showing an increase were accounts receivable which jumped from $79,205 in 1932 to $283,637 at the end of 1933. Part of the increase was also attributable to the sale of a group of claims to other interests and to an increase in the issued capitalization of the company which increased by 11,618 shares to 2,980,000 shares out of 3,000,000 shares authorized.

BEAVER SILVER

Arrangements Made for Access to Property from Bell Mine

Beaver Silver Mines operates a silver-lead property at Wallace Mountain, near Beaverdell, B.C., production having been resumed in 1933 after a shut-down of three years due to the low price of silver. Ore from the company's mine is treated at the Trail smelter of the Consolidated Mining and Smelting Co.

Diamond drilling carried out on the property in 1933 disclosed what is believed to be an extension of the ore body of the adjoining Bell mine. Arrangements were recently made with the Bell Mining Co. whereby access to the Beaver workings may be had from the Bell ground. At one point the Bell workings are only 20 ft. distant from an ore body on the Beaver property. The Beaver Co. has also purchased outright the Bounty group of claims adjoining on the east.

As at Jan. 31, 1934, the company reported a deficit of $25,388 in working capital account, current assets amounting to $3,592 and current liabilities to $28,980. In July, however, additional capital was provided the company through the purchase of 300,000 treasury shares at five cents per share by Col. Victor Spencer, of Vancouver.

The company has an authorized capitalization of $500,000 of which $496,772 have been issued, and is headed by C. M. Oliver of Vancouver as president.

White Eagle Silver

White Eagle Silver Mines was incorporated in June, 1933, to acquire the A. X. Syndicate properties consisting of 42 silver claims in the Camsell River section of the Great Bear Lake area, Northwest Territories, and since that time has been carrying on an active programme of development work. The original find was made in the form of leaf silver on the Otter group of claims but subsequently two veins were discovered on the Elite group.

The company has an authorized capitalization of 4,000,000 shares of no par value of which 3,298,008 shares are outstanding. In April of this year the company reported cash of $116,243. C. D. H. MacAlpine, Toronto, is president of the company.

Orient Big Silver Buyer

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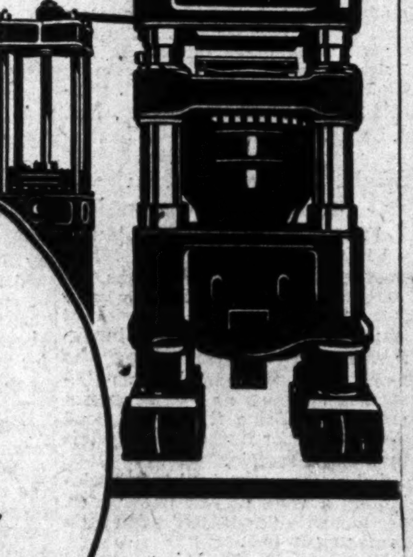

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